

The NATIONAL UNDERWRITER

Life Insurance Edition

"What can we do to help them most?"



— was the thought behind the ad below

WHEN the big push in Italy got under way, New England Mutual ran this ad in leading national weeklies, urging folks at home to donate a pint of their blood to "help insure the American fighter's life."

"It's easy to pay this small insurance premium in plasma," said the ad. "Every pint is a policy against needless death."

If the mail response is any indication, this advertisement proved of direct assistance in helping the Red Cross Blood Banks to meet their quotas throughout the United States.

There is a good deal of satisfaction, when encountering a uniform with a Purple Heart ribbon, in feeling that we may have had something to do with this man's safe return home.

WILL YOU GIVE A PINT OF "LIFE INSURANCE"?

BLOOD PLASMA

New England Mutual Life Insurance Company of Boston

Some of the letters received:—

"We wish to congratulate you on the splendid advertisement on the Blood Donor service which you are publishing."

"I have heard many persons comment on your fine cooperation in helping to obtain blood donors."

"It is most generous of your firm to devote time and advertising space to the blood donor program, and we feel sure this advertisement will be a great help in recruiting blood donors."

"With the Boston Blood Donor Center located in your home office building, you are very close to our whole program, and that you have its interest at heart is evident by this great help you are giving it throughout the country."

"On behalf of the 1943 Jury of Annual Advertising Awards, it affords me great pleasure to inform you that your advertisement, 'Will you give a pint of life insurance?' has been selected as one of the hundred outstanding Wartime Advertisements of 1943."

New England Mutual Life Insurance Company of Boston

George Willard Smith, President

Agencies in Principal Cities Coast to Coast

The First Mutual Life Insurance Company Chartered in America—1835

FRIDAY, JANUARY 19, 1945

The VOLUNTEER STATE LIFE Insurance Company

Founded in 1903

Chattanooga, Tennessee

Cecil Woods
President

John A. Witherspoon
V. P. and Director of Agencies

Success COMES SOONER

20% of present Big Tree Leaders Club members have been with Pacific Mutual less than a year.

Success comes sooner for the Pacific Mutual underwriter, because:

He can sell complete coverage. He uses a def-initized, proved process of prospecting and merchandising. He is thoroughly trained—by General Agents or Supervisors who are themselves "trained as trainers." It's this combination of favorable factors that makes for earlier field success.

Coverage
that's Complete
LIFE
ACCIDENT & HEALTH
ANNUITIES
JUVENILE
GROUP
WHOLESALE

the
New and Unusual
Savings Plan

**PACIFIC MUTUAL
LIFE INSURANCE COMPANY**

HOME OFFICE, LOS ANGELES, CALIFORNIA

"Help Fight Inflation
—Buy Life Insurance"

1905 — 1945

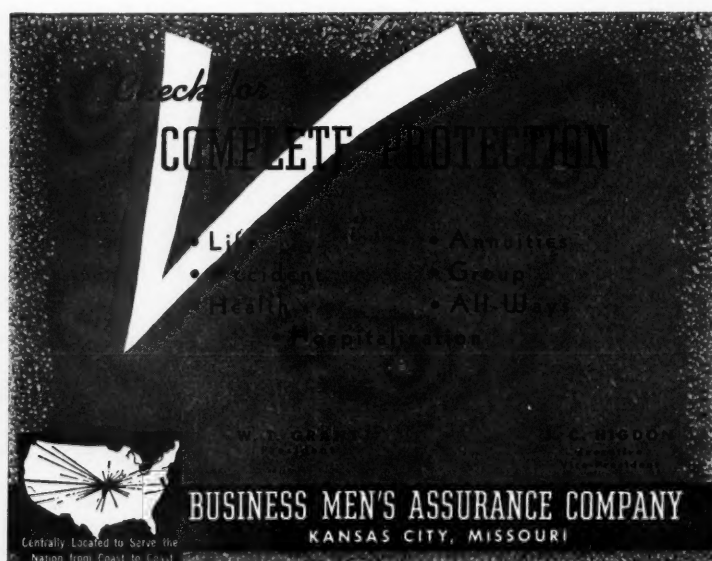
CENTRAL LIFE Insurance Company of Illinois

FOUNDED 1905

Alfred MacArthur, President
211 West Wacker Drive
Chicago

**STRONG
PROGRESSIVE
DEPENDABLE**

Attractive General Agent's
contracts now being offered
for territory in the mid-west.



Check for
COMPLETE PROTECTION

Life Insurance • Annuities
• Accident & Health • Group
• Health Insurance • All-Water
• Hospitalization

BUSINESS MEN'S ASSURANCE COMPANY
KANSAS CITY, MISSOURI

Centrally Located to Serve the
Nation from Coast to Coast

Finds Agents Desire Benevolent Regimentation

**Haviland Says Producer
Wants Firm, Thoughtful
Direction**

NEW YORK—In answering the question of what the field man wants of management, a common denominator has already been discovered among a good many agents of different companies, surprising because it has been so uniform. F. Hobert Haviland, vice-president Connecticut General Life, told the New York Life Supervisors' Association. "When an agent can anonymously sit back in a private office relaxed and thinking deeply about what he wants, he immediately decides, in 99 cases out of 100, that he does not want to be an independent contractor in its fullest sense," he declared. "Neither does he want his general agent or supervisor to be a good fellow, letting him work as the spirit moves him and giving him complete freedom of action."

"He wants firm, thoughtful direction from a man he is convinced is unselfishly interested in his future and, just as important, from a supervisor who believes that he has the capacity for growth. We have labored the question of regimenting our men and the great advantages of being in business for yourself, and in their honest moments our field men are smart enough to recognize that they want benevolent regimentation."

Management Committee

Mr. Haviland is a member of the Sales Research Bureau management committee of which W. P. Worthington, vice-president and superintendent of agencies Home Life, is chairman. No profound conclusions will be reached for some time by the committee and no report will be made for many months, Mr. Haviland said. The committee is meeting every 60 days, calling in consultants, analyzing the characteristics of successful life insurance organizations and thinking in terms of changing conditions as the business faces the years ahead. Before it is through, the implications of changing compensation to the changing job of the field men will undoubtedly be recognized more clearly.

The management committee is an outgrowth of the compensation committee which worked over a period of five years trying to determine the correct formula for a new and modern contract for full-time agents. Its report stated there should be a certain flexibility among companies in paying commission to agents, but the committee recommended a schedule which reflected the principles apparent in the contract recommended, including a substantial drop in first year commissions, an increase in second and third year commissions and a permanent 2% service fee for the life of the contract and the servicing agent.

Revising Old Contracts

More than half of the larger companies have already revised their old 50 and nine 5's contract and others are in the process of doing so, he stated. Most of the agents are selling business today that will pay them a continuous service fee and most of them are building an old age income on a contributory

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Dressel New Ohio Superintendent

COLUMBUS—Walter Dressel, an attorney of Mt. Gilead, has been appointed



Walter Dressel

Ohio superintendent of insurance by Governor Lausche. Mr. Dressel is a former mayor of Reynoldsburg, where he resided while practicing law in Columbus. The position pays \$5,000 a year. He is a graduate of Franklin University at Columbus. He succeeds J. Roth Crabbe.

For four years Mr. Dressel resided at Reynoldsburg. He is 44, a past master of Goodale Lodge of Masons, past master of Gilead Grange and a member of the Methodist church.

TEXAS SITUATION STUDIED

DALLAS—George B. Butler, attorney, who is state salvage chairman with offices in Dallas, will be the next Texas life insurance commissioner and ex-officio chairman of the board of insurance commissioners, if persistent rumors are correct. Chairman O. P. Lockhart's term expires Feb. 10 and his friends feel he may be reappointed for another six-year term, as was Fire Commissioner Marvin Hall two years ago. Pierce Brooks, Dallas attorney, who ran a strong race against Governor Coke Stevenson when Stevenson was elected lieutenant governor, is also being mentioned as a strong candidate but Mr. Butler seems to have the inside track. Mr. Butler has served as a legislator from Bryan and in recent years practiced law in Austin. Casualty Commissioner Joe P. Gibbs has two more years to serve and Commissioner Hall has four more years of his second term.

Premium Tax Measures in Okla.

OKLAHOMA CITY—Governor Kerr has recommended to the legislature revision of all tax schedules and he specifically mentioned insurance premium taxation.

House Bill 51 seeks a reduction of the 4% tax on foreign insurers to 3%. Dividends to policyholders and cash surrender values of surrendered policies would be deducted.

The proposed measure has the approval of the governor and of Johnson Hill of Atlas Life of Tulsa, who is speaker of the house. It was referred to committee and was going merrily on its way when an obstacle loomed in the form of a new bill that seeks to increase premium tax on all fire insurance companies from 4 to 6%; make mandatory the 4% premium tax on life and casualty and to extend both taxes to include domestic as well as foreign companies.

Sen. O'Mahoney Addresses D. C. Insurance Group

The Insurance Club of Washington at its luncheon meeting Thursday heard Senator Joseph C. O'Mahoney of Wyoming, who has just introduced Senate bill No. 12 to express the intent of the Congress with reference to the regulation of insurance. The new president of the club, Ralph W. Lee, Jr., extended an invitation to all insurance men to attend.

Andrews Reviews N. A. L. U. Projects

**Many Activities Are
Underway, Association
President Shows**

President William H. Andrews, Jr., of the National Association of Life Underwriters has made a year-end report in which he reviewed the many projects that are under way in the association.

Mr. Andrews urges continuing compliance with the agency practices agreement despite the S.E.U.A. anti-trust decision. Until the federal legislative picture is illuminated the projected meetings of N.A.L.U. representatives with company organization people to discuss strengthening of the agreement will not take place.

The agents' compensation committee is proceeding to prepare a blue print setting forth the job that the agent should be expected to do and Mr. Andrews urges agents to send their views on the subject to the committee chairman, Alfred C. Duckett, 609 South Grand avenue, Los Angeles.

The conservation committee is working with the Sales Research Bureau in an effort to develop an award to go to agents whose business meets a certain persistency standard.

Mr. Andrews recalled that on Dec. 17, the committee on federal law and legislation had a meeting with representatives of the A.L.C. and L.I.A. Mr. Andrews urges support by the life insurance business of incentive measures in connection with taxation such as the bill to provide deductions for life insurance premiums in connection with federal income taxes and a provision which would exempt from estate taxes insurance policies earmarked for their payment.

It is hoped that the N.A.L.U., A.L.C. and L.I.A. committees before March will have completed a detailed statement on social security to which the entire business can subscribe.

Mr. Andrews urges local associations to get the booklets, "Life Insurance Dollars in Action" and "Hand-book of Life Insurance" placed in the schools. The committee recently had a meeting with Howard Cool, educational director National Better Business Bureau, on plans of the National Association of High School Principals for furthering the study of life insurance in high schools.

On Dec. 30, the membership stood at 35,028. The goal is 40,000 by June 30. Mr. Andrews reviewed the steps that have been taken to encourage veterans to retain their National Service Life Insurance.

Philip B. Hobbs, Equitable Society, Chicago, N.A.L.U. trustee, as chairman of the state legislation committee, solicits suggestions on state legislation from members.

The most extensive program of local and state association visitation ever undertaken by the N.A.L.U. is now under way.

Until further efforts can be made to compose the differences in the insurance business regarding federal legislation, Mr. Andrews suggests that the local, state and national associations refrain from activity in connection therewith.

Mr. Andrews stated that an announcement will be made soon regarding the department of life underwriter education and training which was authorized to be set up at N.A.L.U. headquarters at the Detroit meeting.

Mr. Andrews reviewed the current war bond sales activity. He urged contribution to blood banks.

Industry, State Officials Come to New Accord

Ask Sherman Act

Stay to June 1, 1947;

Clayton to Jan. 1, 1948

WASHINGTON—Announcing industry agreement upon a compromise proposal as a substitute for the O'Mahoney bill, representatives of the National Association of Insurance Commissioners Monday night issued the following statement:

"That speedy Congressional action on the insurance question is possible as a result of an accord reached by representatives of the various insurance groups is the opinion expressed by Newell R. Johnson, and Charles F. J. Harrington, president and legislative committee chairman, respectively of the National Association of Insurance Commissioners.

"The insurance representatives, after a week of daily sessions agreed on a legislative proposal which they request Commissioners Johnson and Harrington to present to Congress. The proposal represents a compromise of many views, although it was based on the program of the National Association of Insurance Commissioners submitted to the Congress last fall.

"The submitted bill provides that the regulation and taxation of insurance shall be left to the states; that no Congressional act shall be construed to invalidate, impair, or supersede any state law regulating or imposing a fee or tax on the insurance business unless the federal act specifically so provides; that the business shall be exempt from the operations of the federal trade commission act and the Robinson-Patman anti-discrimination act.

Purpose of the Moratorium

"For the purpose of enabling the business to make necessary adjustments in organization and operating methods and in order that the legislatures of the various states may have the time in which to adopt laws designed to authorize concert of action in rate-making and other cooperative activities when approved by state supervisory officials, section 4 of the compromise bill grants a moratorium on the Sherman law to June 1, 1947, whereas the interim period to allow for changes necessary to permit of operation under the Clayton act is fixed at Jan. 1, 1948. However, the proposal makes it clear that nothing in it shall render the Sherman act inapplicable to acts of boycott, coercion, or intimidation even for a limited time.

"Commissioners Johnson and Harrington, who are in Washington acting for the N.A.I.C., have accepted and endorsed the compromise bill because as public officials they believe it to be a reasonable solution of the more important problems arising from the decision of the Supreme Court in the S.E.U.A. case. They recognize also that when so large a number of representative insurance groups get together the result must, of necessity, represent substantial concessions in points of view.

"The commissioners were hopeful, particularly since the compromise bill is well within the terms of President Roosevelt's letter of Jan. 2 to Senator Radcliffe, that this demonstration of unity on the part of the insurance groups

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Extra-Territorial Issue Argued in Supreme Court

Questions of Justices Studied in Wisconsin State Farm Case

WASHINGTON — The question whether Wisconsin law imposes undue burden on commerce is up for consideration before the Supreme Court following arguments heard last week in No. 115, State Farm Mutual Automobile vs. Morvin Duel, Wisconsin commissioner. Counsel are: R. M. Rieser, Herbert H. Naujoks and Barnabas F. Sears for the company; States Attorney General John E. Martin and Harold H. Persons, assistant attorney general, for the state.

During two hours argument members of the court evinced great interest in the case which, on the company's part, is based on the proposition that the Wisconsin requirement of a reserve against not only premiums, but membership fees collected in all states where it does business, interferes with interstate commerce, as a result of the S.E.U.A. decision. The company also contends violation of the due process clause of the constitution and failure on the part of Wisconsin to give full faith and credit to the laws and requirements of other states.

Questions of the Justices

Justices asked a number of questions. Justice Roberts brought out the contention of company counsel that the membership fee is not refundable and is not a part of the premium. Counsel said in a number of states no reserve is required on membership fees.

The court was told the company is the "largest purely automobile insurance company in the world" and that in 1942 some 22% of the auto insurance business was "on this plan." The company has been examined in various states, which gave it O.K., it was stated. Some states do not permit the membership fee, but recognize insurance under the plan as valid in other states.

When counsel asserted Wisconsin had no legitimate interest in matters outside its boundaries, such as membership fees collected there or the question of a reserve against such fees, Chief Justice Stone suggested that Wisconsin contends it has an interest in the solvency of the company. Justices Reed and Frankfurter also asked questions.

Attorney Sears said the "key to the case is the definition of premium." Wisconsin courts first held premium is all money collected by the company from policyholders, he said. The company acquiesced, but a later ruling was that premium was all money collected anywhere from policyholders, Mr. Sears said.

The Wisconsin court held the Wisconsin law was designed to secure return of unearned premiums. Contrasting the ruling against his company with general principles applying in Wisconsin, Mr. Sears said that state permits a company to do business there if it has \$50,000 surplus. "This company has \$15 million surplus," he said.

Mr. Sears insisted Wisconsin has no interest in what goes on in Illinois, has no legitimate interest in requiring the company to "secure a liability that does not exist."

Justice Reed brought out that membership fee collected in Illinois is not treated as premium. "It bears no relationship to any possible Wisconsin interest," declared Mr. Sears. He pro-

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Ohio State Group Holds Parley

Cancel Plans for Big Annual Convention in May—Rutherford Featured

By L. H. MARTIN

COLUMBUS—The Ohio Association of Life Underwriters, at its council meeting here, decided against holding any large annual meeting such as would normally be held next May, in compliance with the spirit of the government's request to eliminate conventions of more than 50 persons. By unanimous action, and only because the by-laws require it, a small strictly business meeting will be held for necessary business and election of officers. While most by-laws require that two members from each association be allowed to attend and vote, the state association will suggest that attendance be limited to just one member from each local association.

State President Paul M. Smith, Columbus general agent New England Mutual, was authorized to notify each local unit that the state association urges each local association to assist and furnish information to discharged veterans as to their National Service Life Insurance, through all possible agencies including the draft boards, U.S.O., Red Cross and veterans organizations, by sending accredited representatives to advise these men, and to state that the council advocates that all members urge veterans to maintain their NSLI. This was moved by W. T. Craig, Cincinnati general agent Aetna Life.

President Smith was also authorized to send a bronze plaque to Fritz A. Lichtenberg, Jr., associate general agent Massachusetts Mutual in Columbus, commemorating and honoring his father, who died last November after more than 30 years of active association work in Columbus.

Membership Gain of 300

H. S. Stout, general agent John Hancock, Dayton, chairman of the membership committee, reported a membership of slightly over 2,400, a gain of more than 300 since the annual meeting last May. L. H. Feder, manager Reliance Life, Cleveland, chairman of the extension committee, commented on the increased interest in small associations as a result of the out-of-town speakers supplied by the speakers committee of which C. E. Spencer, general agent Penn Mutual, Toledo, is chairman.

At the dinner Thursday, James E. Rutherford, executive vice-president N.A.L.U., opened the National association's state conference on local association administration by presenting the complete story of the National association at work, and outlining all of its activities.

Mr. Rutherford was assisted in the discussion of federal law and legislation by Judd Benson, Union Central, Cincinnati, on agency practices by Ralph Hoyer, John Hancock, Columbus, on agency compensation again by Mr. Benson, on public education by Steacy Webster, Provident Mutual, Pittsburgh, and on war bonds, also by Mr. Benson. Mr. Rutherford himself treated the subject of education and training.

In the session the next day Mr. Rutherford, using the blackboard, analyzed the finances of each individual association in the state, and the membership.

At the Columbus association luncheon Mr. Webster got a big hand for his explanation of using colored charts with prospects. Mr. Rutherford outlined the activities of the association and Mr. Benson spoke on law and legislation.

Representatives were on hand from Akron, Canton, Chillicothe, Cincinnati, Cleveland, Columbus, Dayton, East Liverpool, Springfield, Steubenville, Toledo and Youngstown.

This week Messrs. Rutherford and

O'Mahoney-Hatch Bill Text Given

Herewith is the text of the O'Mahoney-Hatch bill, which has the blessing of President Roosevelt and Attorney General Biddle:

A bill to express the intent of the Congress with reference to the regulation of the business of insurance.

Be it enacted by the Senate and House of Representatives of the United States of America and in Congress assembled,

That the Congress hereby declares that the continued regulation and taxation by the several states of the business of insurance is in the public interest, and that silence on the part of the Congress shall not be construed to impose any barrier to the regulation or taxation of such business by the several states.

Provisions of Draft

Sec. 2(a) The business of insurance, and every person engaged therein, shall be subject to the laws of the several states, which relate to the regulation or taxation of such business.

(b) No act of Congress shall be construed to invalidate or supersede any law enacted by any state for the purpose of regulating the business of insurance, or which imposes a fee or tax upon such business, unless such act specifically so provides.

Sec. 3. Nothing contained in the act of Sept. 26, 1914, known as the federal trade commission act, as amended or the act of June 19, 1936, known as the Robinson - Patman anti - discrimination act, shall apply to the business of insurance or to acts in the conduct of that business.

Sec. 4(a) For the purpose of enabling the several states to adjust state laws to the provisions of this act and to the requirements of the act of July 2, 1890, as amended, known as the Sherman act and of the act of Oct. 15, 1914, known as the Clayton act, until March 1, 1946, the act of July 2, 1890, as amended, known as the Sherman act and the act of Oct. 15, 1914, known as the Clayton act, shall not apply to the business of insurance or to acts in the conduct of said business; provided, however, that nothing contained in this act shall render the said Sherman act inapplicable to any agreement or act involving boycott, coercion or intimidation.

(b) On and after March 1, 1946, the provisions of said Sherman act shall not apply to any agreement or concerted or cooperative action between two or more insurance companies for making, establishing, or using rates for insurance, rating methods, premiums, insurance policy or bond forms, or underwriting rules, if, pursuant to the laws of the state in which they are to be used, such rates, rating methods, premiums, forms or rules have been filed with and prior to their application or use, expressly approved by the state official or agency having authority with respect thereto.

Sec. 5. Nothing contained in this act shall be construed to affect in any manner the application to the business of insurance of the act of July 5, 1935, as amended, known as the national labor relations act, or the act of June 25, 1938, as amended, known as the fair labor standards act of 1938.

Sec. 6. As used in this act, the term "state" includes the several states, Alaska, Hawaii, Puerto Rico, and the District of Columbia.

Sec. 7. If any provision of this act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected.

Benson attended a meeting of the Indiana council in Indianapolis and later, with Ernest A. Crane, Northwestern Mutual, Indianapolis, another national trustee, visited a number of local organizations.

Cleveland Group Assails Employee Status Advocates

Makes Strong Appeal for Retention of the Independent System

A strong and even somewhat belligerent statement has been put out by the agents advisory council of the Cleveland Life Underwriters Association as "an answer to those who would impose employee status on all ordinary agents." The statement is captioned, "The free and the brave? Independence, the backbone of life insurance selling—should it be tampered with?"

According to this statement there is a movement under way to take the independence away from ordinary agents and make them employees of the companies, subject to discipline and control. They are, the statement says, to be hired and fired like other employees, told where to go and whom to see, made to observe certain hours and make certain calls each day and be paid some sort of minimum salary with "incentive commission" but no vested renewals. They are to receive social security and perhaps group insurance and a pension "if they live long enough and conform to the idea of their managers."

Independent Contractor Status

The Cleveland group takes the position that compensation problems can and must be worked out within the framework of the independent contractor status for agents and that a commission and renewal compensation system is necessary to that status. The independent agent, the statement declares, stands between ordinary companies and outside interference from unions, politicians and other uninformed critics.

Enormous social security, unemployment and other taxes can be collected from the companies if agents are employees, it is stated, and large sums in union dues can be collected from the agents, once they are employees. The statement avers that individual companies and general agents fear to act alone and are intent upon getting the entire industry to switch over to the employee status for agents. It is alleged that attempts are being made to get the National Association of Life Underwriters to say that the agents themselves desire to be employees because of social security.

Those advocating the employee status, according to the statement, are not satisfied with their results under the present independent arrangement and think they can do better under the new order. They say they aren't getting enough good agents and are retaining too many poor ones and that they aren't reaching enough people.

Others Are Successful

But, the statement goes on to say, many ordinary companies and general agents and managers are successful in attracting good agents and eliminating poor ones and are reaching a satisfactory number of desirable customers. The suggestion is made that those companies and agency heads be studied by those who are dissatisfied with their results rather than working to bring about an employee status. However, to get results by trying to emulate the successful competitors requires patience, and wisdom. It can't be done overnight. Hence, according to the statement, there is a tendency to blame everything on the independent agent and

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Practical College Courses Urged

University of Michigan Dean Analyzes Need for Career Training

DETROIT—Development of a regular college course in life insurance at the University of Michigan, with the course to be prepared by joint action of the college faculty and committees of the underwriters' and managers' associations of the state, was advocated by Dr. R. A. Stevenson, dean of the U. of M. school of business administration, before the dinner meeting of the Associated Life General Agents & Managers of Detroit. Members of the Detroit-Windsor Agency Cashiers Association were the guests.

America's universities have offered insurance courses for many years, Dr. Stevenson said, but most of them have been of the information type, part of the cultural courses, rather than practical training for an insurance career. The need for better professional training of life underwriters has long been recognized and the Wharton School has supplied this need almost single-handed for many years.

Professional Training Needed

Chartered life underwriter training has attained a considerable degree of public recognition in recent years and the time has come when other colleges should present professional training in this field, he declared. Life underwriting meets the qualifications necessary for inclusion on the regular curriculum of a college, since it offers a career of professional type and is a business which results in public benefit entirely apart from the opportunities for earning a livelihood.

The University of Michigan is a logical college to add a course in insurance to its curriculum, since it has long been outstanding as an actuarial school.

Too Many Unqualified

For many years insurance companies have been expanding their sales forces too rapidly, adding agents whose sole qualification for their jobs was the ability to swing some business to the company, Dean Stevenson observed. The fundamental knowledge of the business that is necessary for a career man in insurance has not been sufficiently stressed.

Increases in life insurance sales during the war have not been due to better service to prospects, but to vastly increased income and lowered competition from consumer goods. After the war the agent with the better training and knowledge of his business will again come into his own, and the unfit agents will be weeded out.

Some of the largest producers have been high-pressure salesmen, but such tactics cannot be depended upon indefinitely, Dean Stevenson stated. There is no longer a need to sell people on the value of carrying insurance. The need is for trained men who can recommend to their prospects the best kind of insurance to fit their individual needs. Advice of a highly technical nature is required.

Such a college course should teach the fundamentals of personal finance, law, banking procedure, corporation finance, accounting, labor problems and economics but salesmanship could not properly be included. Students would be taught all the fundamentals in college and the companies could then supply the principles of salesmanship in their own training courses. It would be necessary, of course, for the general agents and managers to assure the students of an opportunity to join their agencies upon graduation in order to draw the right type of student to the classes.

Since the insurance business is chang-

Health Conference Eyes Alternatives

WASHINGTON—Nobody raised any question as to whether there should be medical and cash benefit insurance, at the U. S. Chamber of Commerce conference on health insurance last week, it is stated. The only question discussed was as to how this objective should be attained.

These alternatives were presented: (1) Compulsory through governmental action, and if so, whether state or federal; (2) if voluntary, through what technique — by private underwriters, through Blue Cross or similar plans, or self-insurance.

Speakers included Henry Beers, vice-president of Aetna Life, who outlined the accomplishments of group A. & H.

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ing rapidly in this era, it would be necessary to form a liaison group between the faculty and the field forces to keep the course up to date. If the associations in the field will work with the university on such a program, the welfare of the state will benefit.

Union Central Gain 15%

Union Central's December paid-for total was \$7,122,585, and this boosted the year's total to \$70,060,093.

This marked a 15% increase over the corresponding figure for 1943.

Life insurance in force increased more than \$25 million, the biggest gain since 1930.

Make Manpower Surveys

A number of companies are making surveys to determine the number of employees under 30 who would most likely be affected by a tightening of manpower regulations.

Gives Attitude of Life Insurance Toward Aviation

J. E. Hoskins, associate actuary of Travelers and chairman of the joint aviation committee of the American Life Convention and the Life Insurance Association, writes regarding the editorial in the Dec. 29 issue entitled "Appealing to the Government No Solution." The aviation committee "was set up for exactly the purpose mentioned in the last paragraph of the editorial," he states. "We had introduced ourselves to the principal national aviation organizations, and to such local organizations as we had learned of, but we had never heard of the Wisconsin Civil Air Corps until it passed this resolution, which asked that National Service Life insurance be made available to those engaged in or using civil aviation."

Explains Position in Detail

Mr. Hoskins wrote Gordon Leonard, director of the Wisconsin Civil Air Corps, explaining in detail the position of the life insurance business with respect to aviation. His letter is given herewith:

I am glad to get your letter of Jan. 4, and only regret that our respective organizations did not sooner become acquainted with each other. This committee had introduced itself and offered its services to a number of the national organizations, including the National Aeronautic Association, the Aeronautical Chamber of Commerce, and the Air Transport Association, but evidently none of them has yet felt that there were any life insurance problems ready to be discussed at the national level.

In any discussion of this subject it is essential to distinguish clearly between the life insurance applicant who has no unusual present, past, or potential con-

nection with aviation, and the applicant who has. The former type of applicant starts even with the company, so to speak, as to the aviation hazard, and while he may turn out eventually to engage as intensively in flying as an applicant in the latter category, yet an insurance company deals in averages, and under present circumstances the average death rate among applicants of the first type is distinctly less than that among applicants of the second type, if the two are similar in all other respects.

Practice of Companies Varies

You are correct in saying that prior to the war the normal life insurance contract did not contain any aviation exclusion, while today it does. It is a bit premature to predict whether the situation will be reversed after the war. There are, however, several companies whose normal policy does not make this exclusion. Some policies restrict only military, naval, and instructional flying. The company with whom I am connected, Travelers, excludes only flying by members of an air force in time of war. Therefore, an applicant for insurance who is merely an average man as far as aviation interest is concerned can get all the insurance he wants without any strings on his being able to take up flying if and when he chooses. It is unnecessary for him to make the rounds of the insurance offices seeking a company which will give him the desired coverage inasmuch as there are several insurance handbooks which show the extent of the different companies' restrictions and almost every agency has a copy of one or another of these books.

I don't know whether your organization is made up entirely of pilots or whether it includes a good many members whose aviation interest is of only a general nature, like the chapters of the National Aeronautic Association. If the former, then I assume that your interest in the provisions of policies issued to persons without previous aviation activity is merely from the standpoint of effect on possible customers, in the case of members who are manufacturers, dealers, or instructors.

Flying More Than the Average

Now as to the situation as it applies to the man who has a distinct interest in aviation and is likely to fly considerably more in the future than the average man. Before the war there were a number of life insurance companies which offered their normal policy to such applicants, with no aviation restriction, at a special rate of premium. In the early part of the war many of these companies were hesitant to continue the practice because of the possibility that the policyholder might become associated with some flying activity allied to but not literally in military aviation, the hazards of which were then so indefinite that a suitable premium rate could not be derived. By this time, however, I believe that most of the companies which would insure pilots and give full civilian aviation coverage before the war will do so today, and again they can readily be determined from one of the insurance handbooks.

I should like to suggest for the consideration of your members that it would be only fair to patronize these companies which have taken a progressive attitude toward aviation rather than ask the government to enter into subsidized competition with them merely because other companies have not yet followed their lead.

I am aware that there may be a difference of opinion as to whether the rates quoted for policies with full civilian aviation coverage are fair or excessive. This is due, however, to the inherent nature of the hazard rather than the lack of attention on the part of the

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Who Is Uncle Sam?

When the man in our armed forces is in need of food or ammunition, or any other necessary war supplies, he confidently expects it to arrive. He expects it to be delivered by his Uncle Sam.

But when he thinks of his Uncle Sam, the nephew in uniform does not have in mind the tall lean fellow with the white goatee made so familiar by the caricatures.

The Uncle Sam he is basing his hopes upon, and he trusts that we all realize it, is the person whose framed portrait you see when you look into a mirror.

When you invest your share in the war in the form of a War Bond, when you donate a pint of your own blood for blood plasma, when you really work at being a citizen instead of being satisfied to claim citizenship around election time—then you are Uncle Sam.

What's more than that, then you are the Uncle Sam your son or your neighbor's boy has in mind when he thinks of "back home" as the place where his Uncle Sam is backing him up.

+ + +

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Observe Mutual Benefit 100th Anniversary

Map Numerous Ceremonies in Home Office and Field for Jan. 31

Mutual Benefit Life on Jan. 31 will commemorate the 100th anniversary of its founding under a special charter granted by the New Jersey legislature.

A program has been planned which includes special events for both the home office staff and field representatives, special centennial publications and emphasis of the anniversary theme in the advertising in the "Saturday Evening Post" and other magazines.

End-of-a-Century Day

The first event at the home office will take place Jan. 30, which has been designated "End-of-a-Century Day." A brief ceremony will be held at the end of the business day, including closing of the office doors and immediate reopening of them to symbolize the turn of the century and the continuing service of the Mutual Benefit during its second hundred years. President John R. Hardin will preside.

On Jan. 31, Charter Day, a program of speaking, music and drama will be presented in the home office auditorium featuring the history of the company, the significance of the past and the pattern for the future. The speakers will be President Hardin, Senior Vice-president Edward E. Rhodes and Dr. William R. Ward, medical director. A series of scenes enacted on the auditorium stage by employees will present highlights of company history.

Many of the agencies are planning special events of their own to mark their anniversaries, or to honor a group of their policyholders.

The 100 days—Jan. 21 to April 30—have been set aside as a period of special contacts with policyholders by agents.

Atwood Writing History

The history of the Mutual Benefit is being written as an anniversary book by Albert W. Atwood, noted writer and a leading contributor to the "Saturday Evening Post." A centennial booklet has been prepared for distribution to policyholders, presenting the principles which have guided the company through 100 years.

President Hardin has prepared a memorial paper on Robert L. Patterson, founder of Mutual Benefit and its first president. Recollections of two other leaders in the company's history have been recorded in a paper prepared by Mr. Rhodes. They are Amzi Dodd, president for many years, and Bloomfield J. Miller, company mathematician for a long period, and the man who employed Mr. Rhodes in 1886.

Mutual Benefit was founded by Mr. Patterson and a group of business men.

Mr. Patterson, until the financial depression of 1837, had been a prosperous New York merchant. Seeking a new business start, he became interested in life insurance, which was then in its infancy in the United States. At that time there were only 5,000 life insurance policyholders in the nation of 20 million, and many still viewed insurance as a form of gambling, or a "get-rich-quick" scheme for its promoters. Mr. Patterson made a voyage to England to study British methods and experience, and upon his return sought, without success, to interest his Wall Street friends in forming an insurance company. He then went to Newark where he interested 11 leading New Jersey business men who joined him in seeking a company charter from the assembly.

In 1844 the state of New Jersey had adopted a new constitution which took effect in the fall of that year, and the first act passed by the legislature under

the new constitution was the Mutual Benefit charter, which stands unchanged today in exactly the same language in which it was drafted in 1844.

Under the charter the company was authorized "to make all and every insurance appertaining to or connected with life risks. . . . In this there shall be no money stock; the funds or capital arise from premiums paid in when persons make insurance, and these form the means to make payments on policies, grant loans, pay expenses and yield profits. All persons insured become members, and are not liable beyond the amount of the premiums to be paid by them." Thus full mutuality was established as a foundation stone of the company.

The first Mutual Benefit office was established in the rear room of a grocery store at Broad and Market streets, Newark, owned by Benjamin C. Miller, one of the incorporators and first secretary. The furnishings consisted of a desk, a stool, two oil lamps and a candlestick. A single clerk laboriously made entries in the books with a quill pen. Today Mutual Benefit is housed in an imposing, six-story limestone home at 300 Broadway, where more than 600 are employed. It is the fourth home occupied by the company and was completed in 1927.

On March 14, 1845, the 12 directors met and elected Mr. Patterson the first president. Although he was 69 years old and beginning an entirely new business venture, Mr. Patterson continued as president for 17 years until his death in 1862. In those years he laid down the principles which have endured throughout Mutual Benefit's century of growth.

First Policyholder

The first policy was put in force in April, 1845, on the life of Benjamin C. Miller. It was for \$1,500 and called for a premium of \$51 a year. Mr. Miller outlived the mortality tables and at the age of 96 collected the face value of the policy. He died two years later. His premiums, less dividends, amounted to \$1,198.35.

At the end of the first year of business the company had 624 policyholders insured for \$2,110,717. Today it has 370,000 policyholders, and more than 600,000 policies in force for a total value of approximately \$2 billion 300 million. The assets at the end of 1944 were more than \$900 million. In 1943 the company increased its investment in United States bonds from \$203,258,675 at the end of 1942 to \$272,255,317. At the end of 1944, Mutual Benefit had U. S. securities of \$361,907,373.

More than 90% of the business is on the life plan, payable at death.

Mutual Benefit has pioneered in many phases of life insurance. It was the first company to employ a mathematician, now known as an actuary, in 1849. The title mathematician has been maintained and its holder has always been one of the highest ranking officers. Mr. Rhodes, vice-president since 1906, served as mathematician from 1903 to 1919. The present mathematician is John S. Thompson, also a vice-president, who was appointed in 1926.

The first prospectus granted policyholders the right to surrender their policies after a certain period and receive their equitable value, a radical departure from the then current practice. Under the provisions of most policy contracts 100 years ago, default in payment of premium not only terminated the contract, but caused forfeiture to the company of all previous payments.

A demonstration of the company's liberal attitude toward policyholders was given at the time of the civil war. This disruption of communications prevented southern policyholders from remitting their premium payments and the policies,

Application Forms for Conventions Are Perfected

Application forms have been perfected for those organizations desiring after Feb. 1 to get permits for holding conventions of 50 or more persons. The forms may be secured at ODT national, regional and district offices, at hotels, convention bureaus. The application should be sent to Secretary Clare, Room 7321, Interstate Commerce Commission Bldg., Washington, D. C.

The questions include: Name of organization and of president and secretary together with their addresses; nature of organization and character of meeting; date and location of proposed meeting and name of hotel or other facilities to be used; attendance planned for meeting; previous frequency of meetings; date, location and attendance at last previous meeting; average attendance at similar meetings before the war and during the war; from what area are those attending drawn; what steps already have been taken or contemplated to curtail attendance; why cannot the object of this meeting be obtained through correspondence and publication; why cannot a group of 50 or less to whom powers are delegated transact the necessary affairs; in what way and to what extent will the war efforts suffer if this meeting were not held.

Some association executives feel that too little attention has been paid to the pressure that is being put on the hotels to restrict the holding of conventions. They say that even if an organization were to ignore everything else the hotel restrictions would probably prove an effective practical barrier to the holding of conventions.

by the terms of the contract, thereupon lapsed. After the war, the company sent its mathematician, Amzi Dodd, through the south reinstating the policies of those who were still insurable, and making equitable payments to the beneficiaries of those who had died. Many thousands of dollars were spent in this adjustment.

Mutual Benefit has never believed in a large board of directors, or appointed ment to its board solely because of their public prominence. All are working directors. The original charter called for a board of 12, and this provision has never been changed. The present directors, all of whom are prominent residents of Newark or northern New Jersey, meet regularly every week at the home office. In its 100 years only 87 have served as directors, many of them for as long as from 25 to 40 years. This direction has resulted in maintenance of the ideals and principles laid down by Mutual Benefit founders. The company has had only five active presidents.

Through the years some of New Jersey's most noted figures have served on the board. Frederick T. Frelinghuysen, a director, became Secretary of State in President Arthur's cabinet. He was the grandfather of a present director, Frederick Frelinghuysen, who is now on leave as an officer in the navy.

Two men who rose to become governor of New Jersey, Marcus L. Ward and Franklin Murphy, were members of the board. Amzi Dodd, the company's third president, was a state legislator, vice chancellor and a judge of the New Jersey Court of Appeals, and Nehemiah Perry, a noted mayor of Newark in the 1850's, became a member of Congress. Other directors of the company also

Seek Ill. Change to Permit Slum Clearance Investment

The Illinois state housing board is seeking to secure a change in the insurance code to permit life companies to invest a certain percentage of assets in real estate. It is doing this in conjunction with a subcommittee on housing of the Illinois post war planning commission, which is developing plans for slum clearance projects after the war.

While the law does not specifically prohibit such investments, it does not definitely permit them, and in the past some superintendents have ruled against them.

Philadelphia Congress Feb. 8 Announces Good Card

Three headline speakers are scheduled for the Philadelphia sales congress Feb. 8 in Hotel Warwick. They are Chaplain Karl B. Justus of the Navy who spent 20 months overseas in the South Pacific and took part in five major amphibious landings; Frederick White, a leading agent of Connecticut Mutual Life at Buffalo, and Daniel E. Mason, superintendent of agents training of Equitable Society.

The congress will follow a luncheon. Albert C. Adams, vice-president, is program chairman.

Chaplain Justus saw the fighting at the Bougainville, Guam, Peleliu, Leyte and Emirian landings; on several occasions was on ships under heavy air attack, and conducted burials under fire. He now is stationed in New York City.

served in Congress and as state legislators.

The present directors are: Robert C. Clothier, president Rutgers University; Robert G. Cowan, president National Newark & Essex Banking Company; Allison Dodd, chairman Bloomfield Bank & Trust Company; Frederick Frelinghuysen, John R. Hardin, Mutual Benefit president; Walter C. Heath, Newark, retired; Lawrence J. MacGregor, president Summit Trust Company; J. H. Thayer Martin, Newark lawyer; Edward E. Rhodes, Paul B. Sommers, president American Insurance Company; W. Paul Stillman, president National State Bank; and John S. Thompson.

Mr. Hardin and Mr. Rhodes between them have served Mutual Benefit 98 years. Mr. Hardin has been president since 1924, and a director since 1905. A graduate of Princeton, Mr. Hardin for many years was a distinguished practicing lawyer, a member of Pitney, Hardin & Ward, of Newark. He is a life trustee of Princeton and a trustee of the Institute for Advanced Study.

Mr. Rhodes entered the employ of Mutual Benefit in the mathematical department in 1886. In 1905 he succeeded Mr. Miller as mathematician. He was elected vice-president in 1908 and a director in 1912. In 1919 he relinquished the title of mathematician.

Mutual Benefit has canceled its plans for a centennial convention. Last summer a convention was slated for May, 1945, to be attended by field men and their wives, and particularly by many agents who would have returned to the company after service in the armed forces.

A convention will be held just as soon as conditions permit.

Life Companies Report on 1944 Results

	New Bus. 1944	New Bus. 1943	1944 Inc. In Force	1943 Inc. In Force
Bankers Life, Iowa	118,366,322 ¹	89,381,168	83,626,372	49,479,741
Bankers Life, Neb.	19,408,131 ¹	18,351,926	12,613,472	11,834,682
Connecticut Mutual Life	109,794,537 ¹	104,825,307	69,723,333	59,662,247
Continental Assurance	59,887,379	34,585,540	55,208,915	40,611,246
Excelsior Life, Can.	18,373,902	17,335,751	12,536,660	11,193,232
Great-West Life	116,710,441	86,870,682	83,022,697	61,120,757
Knights Life	42,576,468	38,052,916	23,241,787	18,426,551
Monumental Life	62,120,233	67,027,931	30,046,115	35,527,451
Ohio National Life	26,845,764	22,511,051	15,076,518	16,486,828

¹Issued and revived.

²Includes reinsurance of Great Lakes \$6,051,716.

New Ind. Official Urges Cooperation in Public Relations

John D. Pearson, who was installed Monday as insurance commissioner of Indiana, made his first official appearance before an insurance group at the meeting in Indianapolis of the Indiana Association of Life Underwriters. He announced that John D. Cramer would continue as deputy commissioner. Mr. Cramer has served as deputy since Jan. 1, 1931, despite several changes in the political picture.



J. D. Pearson

Mr. Pearson made two constructive suggestions, one that a public relations committee be set up with a representative from each branch of the business to carry the story of insurance intelligently to the people of the state, in cooperation with the insurance department. One of the services of this committee would be to aid in the rehabilitation of former insurance men returning from service. He also suggested that a speakers' bureau be established of representatives of the business who could appear before luncheon clubs and other organizations with instructive talks on insurance subjects relating to all branches of the business.

James E. Rutherford, executive vice-president National Association of Life Underwriters, assured Mr. Pearson that he would find life men cooperative and ready to help with the supervisory problems of that branch of the business.

Mr. Rutherford participated in the discussions at the several sessions. All Indiana associations were represented. Two National association trustees, Judd C. Benson, Union Central Life, Cincinnati, and E. A. Crane, Northwestern Mutual Life, Indianapolis, also took part in the discussions. Eber M. Spence, president of the state association, presided. There was an impressive representation of officials of local life companies at the luncheon, each of whom Mr. Spence introduced.

Details of the proposed Indiana Leaders Club were outlined. Membership would require the writing of \$250,000 of business in a fiscal year.

McKenzie Takes Office as Arkansas Commissioner

LITTLE ROCK—Jack G. McKenzie was officially sworn in as Arkansas insurance commissioner Monday, succeeding J. Herbert Graves, who was present at the ceremony.

Mrs. B. M. Steed, who has been Mr. McKenzie's secretary for eight years, becomes secretary to the commissioner.

A. D. Dulaney, former Arkansas commissioner and executive assistant commissioner under Mr. Graves, will continue in that capacity.

Stresses Importance of Home Interview in Sale

At an Indianapolis C.L.U. sales forum, John H. Parrotte, Prudential, and Walter R. McClure, State Mutual Life were leaders. John L. H. Fuller, Equitable Society, presided.

Mr. Parrotte outlined the better service available to average buyers of insurance through the home interview in

which both husband and wife join. He stressed the popularity of savings life insurance, particularly as a supplement to the minimum old-age income provided through social security.

Frank A. Miller, manager American National, announced a class at Butler University on "Fundamentals of Life Insurance," in preparation for part of the C.L.U. examinations to be held in June. Mr. Miller will conduct the class.

Confer in San Francisco

SAN FRANCISCO—President W. H. Andrews, Jr., of the National Association of Life Underwriters, accompanied by National Trustees A. C. Duckett, Los Angeles, and Jul B. Baumann, Houston; Charles E. Cleeton, Los Angeles, membership chairman for District 10; Herrick C. Brown, president California association, and H. Kenneth Cassidy, war bond sales chairman for northern California, conferred here with officers and committeemen of local associations in this session.

Mr. Andrews addressed the Oakland-East Bay Underwriters association Monday and the San Francisco association Tuesday.

Change in Radio Station Setup

Chairman C. A. Craig of National Life & Accident advises stockholders

that a plan is to be put into effect to simplify operation of radio station WSM and National L. & A. The insurance company will create a corporation known as WSM, Inc., with capital of \$500,000 divided into shares of \$100 each. The entire stock will be purchased by National L. & A. and will be retained as an asset.

Record of Julius Selling

The Julius Selling Agency of State Mutual in New York closed the year in sixth place among all agencies of the company, without writing any pension trust or group business. It was in third place for December business.

Fischer and Jenkins Named

Two new members have been added to the management committee of the Sales Research Bureau. They are C. O. Fischer, vice-president Massachusetts Mutual, and W. R. Jenkins, vice-president Northwestern National.

Two District Managers Named

Two Equitable Society men in Illinois have been promoted. Nathan L. Mack becomes district field assistant manager at Quincy, where he has been field assistant for some time of the F. G. Holderman, Jr., agency of Peoria.

Before that he was an agent. Talton R. Clark, agent at Moline, was named district manager there.

J. E. Bader Advanced

J. E. Bader, assistant superintendent of Prudential at Irvington, N. J., since 1937, has been promoted to superintendent at Union City, N. J. He started in 1932 as an agent in the Irvington district.

Plan Mich. Code Changes

LANSING, MICH.—Representatives of various classes of insurance met with Commissioner Forbes to discuss legislative prospects and department proposals for amending the insurance code.

Detailed consideration was given to drafts of two bills which would change some 100 sections in the present code. The amendments, most of them of a clarifying and strengthening character, are expected to be given support by the affiliated insurance groups.

Z. Starr Armstrong, director of education and public relations of Republic National Life, addressed the Lubbock Junior Chamber of Commerce. He also conducted a seminar on social security and taxation for the Eli W. Gregg agency of Republic National.

ANTICIPATION

The average young family man often needs substantially more permanent life insurance than he can conveniently pay for at present on the usual whole life basis. But he anticipates being in a better financial position within a few years.

The Prudential's Modified Life 5 policy gives this young family man a means of buying the permanent life insurance he needs right now at a price he can afford to pay. This is made possible by a premium rate for the first few years which is one half the premium rate payable thereafter.

PROMPT SERVICE TO BROKERS

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MANAGER FOR ACCOUNTING DEPARTMENT

Life insurance company home office in Chicago has real opportunity for someone experienced in insurance accounting to head up the accounting department. Address A-93, c/o The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

Employee Welfare Fund Suggested in Reducing Long Term Pension Costs

The establishment of an independent employee welfare fund operated by the employees to help take care of the over-age employee situation so that the cost of a pension plan can be held down in order to meet the reluctance of some employers to setting up a program because they are fearful they cannot keep the plan in operation in lean years, was suggested by F. W. Adams, Adams & Anderson, Chicago tax attorneys, before the Life Agency Supervisors Club of Chicago. The employer-corporation can contribute to this non-profit welfare fund, such contributions being in the same category as charity. In setting up such a fund there must be no interference by the employer in administering a fund. The fund's by-laws have a provision for making payments to retired members. It is advisable that the by-laws provide that no amendments can be made unless 66% of the members approve.

Fear Constancy of Cost

Many employers approve the pension idea but they fear the constancy of the cost, Mr. Adams said. In suggesting several methods of overcoming this objection, he pointed out that one of the advantages of starting a plan now is that the extra cost of taking care of over-age employees can be met now. There are also the carry-over and carry-back provisions in the tax law which give the employer relief in lean years. In reducing the cost of the plan, it is advisable to check and see what can be saved by setting minimum and maximum age eligibility standards and to consider paying the over-age group a current pension.

Although the new law provides for a qualification period of two months and 15 days after the end of the employer's

taxable year for new plans approved after Dec. 31, 1944, this is not any too much time, Mr. Adams warned. Employers must be educated to starting their consideration of pension plans earlier, as earnings are not available to the end of the year and as employers usually take advantage of the Jan. 30 time-limit for filing such reports, it leaves only a month and 15 days for qualification. "For all practical purposes, don't try to push through a pension plan at the last moment," Mr. Adams advised.

Profit Plans Viewed

Some employers are inclined to adopt a profit sharing plan instead of a pension program as it isn't necessary to guarantee anything. One thing that 90% of such employers overlook in this regard is the social trend which may go to the extreme of having union representatives on the board of directors, a report to the employees on earnings and participation in the profits. If a decrease in earnings necessitates a wage cut, the union in making a new contract may agree to the reduction providing the employees are given a larger percentage of the profits.

Industry faces a problem in adjusting itself to social trends, according to Mr. Adams. The present national administration may have encouraged this trend but it did not originate it. Industry is crying out against "regimentation" but Mr. Adams believes that such a trend is not only a result of regulations by war agencies but is backed by public sentiment to provide adequate and comfortable provisions for workingmen.

The social security act is approved by the public but it has limitations and the benefits are woefully inadequate. How-

ever, the man on the street doesn't know it yet, Mr. Adams observed. All he knows is that he and his employers are paying a tax and he expects to be able to retire on his social security income. However, he faces a surprise as he can't get more than \$85 a month and he will probably receive from \$50 to \$70. Eventually, this will result in disappointment and discouragement and a public reaction which will force an increase in benefits. It is not a question of combating this problem but of making necessary adjustments, Mr. Adams declared.

He approves the method used by the National Physicians Committee in counteracting the medical care provisions in the Wagner social security extension bill. This group is trying to educate and urge industry to provide these benefits through other than government plans. Instead of waiting until a bill is introduced to become alarmed, as did the doctors and is characteristic of American people, social trends should be anticipated. Unless industry takes advantage of pension plans to meet the shortcomings of the social security retirement provisions, when public reaction starts favoring an increase in limits, the government can say to industry: "We gave you your opportunity."

In educating employers to look ahead, Mr. Adams thinks that the insurance business as a whole, not as individual companies or agents, should take the lead. Group education is best because there is no competitive distraction. As the pension field is becoming more and more specialized, it is essential that unqualified agents not talk or propose plans as it only renders a great disservice and discourages installation.

Monroe Supervising Pension Trust Sales for Equitable

S. A. Monroe, assistant counsel of Equitable Society and expert on pension trusts, has been transferred to the agency department as agency assistant with supervision over pension trust sales, succeeding C. L. Lundgren, who has been appointed associate agency manager at Detroit.

Mr. Monroe is a graduate of Lehigh

Kansas City Life Places Policy No. 1,000,000

Kansas City Life policy No. 1,000,000 in the amount of \$100,000 has been placed on the life of Jesse R. Battenfeld, president of Battenfeld Grease &



Oil Co., Kansas City. Salesman of the policy was Dix Teachenor, who was the first member of the field force to qualify in 1944 for charter membership in Kansas City Life's 1945 President's Club and who is a life member of the Million Dollar Round Table.

Mr. Battenfeld is a director of Employers Reinsurance, is on the school board of Kansas City, is a former vice-president of the Kansas City Chamber of Commerce, former chairman of the Boy Scout board, and past president of the Kansas City Rotary Club.

President W. E. Bixby is shown presenting the policy to Mr. Battenfeld, left, as Mr. Teachenor, center, looks on.

University and of Fordham law school. After taking the company's cashiers' training course, he went to the Detroit office in 1930. In 1931 he returned to the home office and became legal assistant in the department of policy claims in 1936. He was appointed assistant counsel in 1943.

Mr. Lundgren started as an agent with the Dunsmore agency, New York, in 1928 and became assistant agency manager a year later. After several years in the field, he entered the home office in charge of the staff insurance division. He was assigned to pension trust business with the development of that branch and has served as contact man on all such matters at the home office.

R. M. Ryan, Detroit manager, arranged a welcoming meeting for him when he took up his duties there.

Great Record in War Bond Sales in New York

The number of war bonds sold to individuals by the life insurance organizations of New York City in the sixth war loan totalled 476,562, approximately 100,000 higher than the record during the fifth loan, according to Gale F. Johnston, chairman of the life insurance division of Greater New York.

Maturity value of bonds sold to individuals was \$83,626,127; to corporations, \$56,481,200; total \$140,107,327. The total in the fifth loan was \$87,564,774.

The bond selling record is analyzed thus:

	Work-ers	Indivi-uals	Amount
Equitable	3,915	38,912	\$ 7,586,304
Guardian	250	2,856	569,525
Home	185	2,403	707,475
John Hancock (field)	851	33,421	3,650,654
Manhattan	120	1,162	2,156,250
Met. (home of.)	12,001	134,876	22,235,059
Met. (field)	2,300	73,972	15,679,919
Mutual	1,807	17,103	3,846,294
New York	3,685	148,155	24,565,635
Prudential (field)	1,342	22,172	1,860,125
U. S. Life	52	386	60,025
General agents	85	1,144	708,862

Part A Course in Columbus

The Columbus C.L.U. chapter is sponsoring a course in Part A of the prescribed study at the twilight school at Ohio State University. Charles R. Garven is the instructor. I. C. Benis is head of the educational division of the Columbus chapter. About 30 are taking the course.

John Sisk, supervisor in the Milwaukee agency of Bankers Life of Iowa and former president of the Milwaukee Association of Life Underwriters, spoke on "Life Insurance and Accounting" at a dinner meeting of the Milwaukee Society of Accountants.

GENERAL AGENCY AVAILABLE

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Aggressive Legal Reserve Life Insurance Company is ready to assign valuable territory to high class go-getting man or agency. Must have proven record, good reference and able to finance self.

The opportunity to get a general agency for a company like this is not available very often, so if you can deliver the goods here is 1945's great opportunity knocking at your door.

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J. C. Earle, Executive Vice-President

Challenging Horizons

Tomorrow's challenging horizons may be stormy and ominous. If you are prepared to meet them, however, they bring the experiences that make life worth the living; experiences that develop a strong people.

Adequate Life Insurance

Life's greatest weapon against fear is preparedness. With adequate life insurance you can face tomorrow's challenging horizons unafraid.

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HEBER J. GRANT, President

SALT LAKE CITY, UTAH

Legal Pitfalls in Estate Planning Told

Faults in wills, stock purchase and partnership retirement arrangements, and in trust agreements were outlined at a luncheon meeting of the Chicago C.L.U. chapter by Benjamin M. Becker, Chicago attorney, lecturer at DePaul University and an authority and specialist on probate matters, wills, pension trusts and business insurance arrangements, and author of books and articles on taxes and law. He is a member of the law firm of Levinson, Becker & Peebles.

Mr. Becker spoke on legal pitfalls in modern planning of estate and business insurance arrangements. He stressed that life agents too often have attempted to handle the legal end of estate, trust and purchase insurance arrangements, and that frequently achievement of the estate owner's objectives has been thwarted by failure to avoid the legal pitfalls in planning wills, trusts and business insurance agreements.

"Estate plans are occasionally faulty for failure to establish the residence or domicile of the estate owner; thus, on occasion resulting in death taxes imposed by more than one state," Mr. Becker warned. "Many wills have been found faulty for failure to provide for disposition of personalty and household wares in the event of the death of a wife. Some other common faults in the preparation of wills are:

"(1). Failure to provide for disposition of personalty to children, in the event of the death of a wife.

"(2). Failure periodically to review the will so as to make certain that specific bequests are not abnormally large in view of the aggregate estate and the need for cash to pay administrative expenses and estate and inheritance taxes.

"(3). Inclusion of a testamentary trust under circumstances where the aggregate value of the estate is too small to warrant a trust.

"(4). Failure to coordinate the distributive plan in the will with the distribution of life insurance proceeds.

"(5). Failure to include an emergency provision.

"(6). Failure to provide in some instances for a modification of distribution of the estate in the event of a wife's remarriage.

"(7). The giving of inadequate powers to the trustees.

"(8). Imprudent selection of executor and trustees.

"(9). Failure carefully to provide for continued management of business or for an orderly disposition of the business interests of the decedent.

"Some of the common faults in the preparation of stock purchase and partnership retirement arrangements are:

"(1). Failure to make the agreement a firm by-and-sell arrangement.

"(2). Failure to include as subject matter of the sale the entire business interests of the decedent in the corporation or business, such as failure to include the sale of preferred stock or sale of evidence of indebtedness of the corporation, and failure to include the sale of after-acquired stock.

"(3). Failure to include adequate provisions with respect to the determination of the purchase price in that the purchase price is unreasonably high or low, thus opening the way to litigation; fixing a price but failing to provide for appropriate adjustments for increase or decrease in value from year to year.

"(4). Failure to review the agreement at regular intervals.

"(5). Use of old life insurance policies in connection with the stock purchase or partnership retirement arrangement.

"In connection with the general counsel's (of the internal revenue bureau) recent ruling that the gain on the sale of stock sold in connection with a stock purchase arrangement is subject to income tax, it should be recognized that

there is merit to the ruling, and that therefore underwriters and lawyers ought to assume, until Congress changes the law, that the sale of the stock will be subject to income tax. As a partial remedy, the agreement might merely be an arrangement, or the executor might be directed to sell the stock, without a firm by-and-sell agreement."

Mr. Becker said that while the second circuit court of appeals Dec. 27 affirmed the Pierce case decided by the tax court, holding proceeds of insurance paid in installments, where election was made by beneficiary, were wholly tax exempt, yet it may not be assumed that the law is definitely settled for it was announced appeal would be taken in the Lucy G. Law case, involving similar facts, decided against the commissioner in another district court.

"More adequate estate planning, with less litigation and cost, and greater tax savings, can be derived only from planning estates with an eye on the objective, rather than motivation merely by tax savings," Mr. Becker concluded.

Fisher Leaves Lincoln Nat'l for Liquor "Ad" Post

Fred L. Fisher, advertising manager of Lincoln National Life, has resigned his position to assume the post of director of advertising and merchandising for Gooderham & Worts, Ltd., of Detroit.

In his new position, Mr. Fisher will have charge of all the advertising and merchandising of Gooderham & Worts for its operations in this country. The Detroit firm operates in the majority of the states. Gooderham & Worts is a division of the nationally-known distillers, Gooderham & Worts-Hiram Walker of Walkerville, Ont.

Mr. Fisher joined Lincoln National in 1928 as a member of the advertising department. In 1931 he was made advertising manager and in 1936 a junior officer. He has handled all of the company's advertising and sales promotion activities. He is nationally known in both insurance and general advertising circles, and has been active in advertising affairs both within and without the life insurance business. He is a member

of the Advertising Federation of America and the Life Advertisers Association. With the L.A.A. he has been twice a member of the executive committee and



FRED L. FISHER

has held numerous other committee memberships. His work has been awarded numerous prizes in national ad-



THE BRIGHT HORIZON OF YOUR FUTURE

Bright futures with The Lincoln National Life await ambitious Life Insurance men *right now*. Unusually attractive openings exist for personal producers, district agents, general agents, supervisors and Group men. Under the company's sales expansion plan, choice territory is available in a

large number of different locations. Men selected will be given intensive training, careful supervision, and close Home Office co-operation.

If you are under 45, ambitious and feel you can qualify for one of these openings, write Agency Department, Home Office.

The Lincoln National

Fort Wayne 1



Life Insurance Company

Indiana

More Than One and One Half Billion of Life Insurance in Force

RAINBOW'S END

Somewhere in Germany, Captain Harold Van Every, pilot of a Flying Fortress, is a prisoner of war, shot down while flying his third mission over Berlin.

If Captain Van Every receives a letter sent him by the Bankers Life Company of Des Moines, at least one of his days will have been made bright. For that letter tells the results of his remembering a policyholder even in the midst of war in the air over a foreign country and with bursts of deadly flak peppering his bombing plane.

Harold Van Every became a Bankers Life salesman in 1940, following his graduation from the University of Minnesota, where he played half-back on the Varsity's Golden Gophers, and his professional football career with the Green Bay Packers.

One day he called on a Bankers Life policyholder and tried to sell him additional protection. The man thought himself sufficiently covered (he had only \$2,000) and refused to buy more. Soon after, Van Every went to war. In due course of time he finished his training period and was sent overseas. Amid his new and dangerous surroundings, he kept remembering former days. He wrote to Twin City Agency Manager "Bob" Shay, suggesting that he see this prospect and try to sell him more insurance. He had a feeling the man needed it—urgently.

"For Van's sake I did as he asked," says Agency Manager Shay. "I made a not-too-easy sale; in fact, the most difficult I ever made."

A few weeks ago this man, with a companion, went duck-hunting—never to return. His upset boat was found in shallow water; the two bodies were recovered.

"If this news eventually finds its way to Harold's German doorstep," says Agency Manager Shay, "he will be justified in a feeling of great satisfaction for having played such an important role in the future welfare of that little wife and the kiddies who, but for his thoughtfulness, would have had only \$2,000 to cover a lifetime of wants and necessities, instead of the guaranteed income from two Bankers Life policies, totaling almost \$10,000, for 19 years and a substantial sum paid in cash at the end of that period."



BANKERS Life
the Double Duty Dollar Company
DES MOINES

vertising competitions, including awards from the L.A.A. and the Direct Mail Advertising Association.

He belongs to the National Association of Life Underwriters and has won the C.L.U. designation.

He is a director of the Fort Wayne Better Business Bureau.

No plans have been made as yet to fill Mr. Fisher's post at Lincoln National.

N. Y. Life Sales Up 16% in 1944

Sales of new life insurance by New York Life in 1944 were 16% greater than in 1943. New paid for life insurance amounted to \$525,799,000 as compared with \$452,270,000 in 1943.

Although the volume was larger than for any year since 1931, the number of agents was at the lowest point since 1914. The average volume of new business per agent reached a record high level in 1944.

Insurance in force on Dec. 31 aggregated \$7,644,703,000, which is an increase of \$304,121,000 for the year. This is the largest gain in insurance in force since 1930.

Lapses were at the lowest level in 25 years and surrenders were the lowest in 38 years. There was an increase in payments of matured endowments and death benefits.

R. L. Hogg Reviews Issues Facing Life Insurance

ST. LOUIS—To company management the greatest area of speculation for 1945 arises from the basic change in the concept of insurance brought about by the S.E.U.A. decision. Robert L. Hogg, manager and general counsel American Life Convention, said in addressing a dinner in connection with the January board meeting of Mutual Savings Life.

"The business itself has stressed its satisfaction with state supervision," he said. "Amid all of the confusion in connection with an effort of all segments of the business to agree upon a federal legislative proposal, the one thing that has stood out has been the unanimous endorsement of state supervision."

He said it is unfortunate that in addition to the normal wartime questions the business may face some uncertainty arising from its possible readjustment in the field of taxation and supervision.

Pointing out insurance has carefully avoided politics as such, Mr. Hogg said it has now reached the point where those in life insurance proudly emphasize that the business is now "clothed with public interest."

Dr. Kulp Named Vice-Dean of Wharton School

Dr. Clarence A. Kulp has been appointed vice-dean in charge of the graduate division of the Wharton school of finance and commerce of the University of Pennsylvania.

Dr. Kulp has been professor of insurance in the Wharton school since 1928 and has served as director of the graduate division of the school for two years.

CIO Conferences Are Canceled

Three conferences—a national social service conference, national insurance conference and a general executive board meeting—to have been held in St. Louis Jan. 21-24 by the United Office & Professional Workers (CIO) union, to discuss fuller utilization of white collar workers in the war effort and to plan for representation of their interests in current legislative and national programs on salaries, manpower mobilizations, and reconversion as well as to consider special collective bargaining problems in the social service and insurance fields, have been canceled voluntarily in compliance with the request of War Mobilization Director Byrnes.

Nine Penn Mutual Home Office Men Advanced

Penn Mutual Life announces nine promotions or appointments among junior officers.

Dr. Daniel M. Shewbrooks, assistant medical director, has been made associate medical director.

Charles E. Rickards, assistant actuary, is made associate actuary.

Edgar G. Brown, who has been assistant supervisor of applications, has been made associate supervisor.

Frank B. Runyon, who has served as director of the war service bureau, is given the title of director of special services. Walter E. Oswald, who has been in charge of personnel, is appointed director of personnel. Howard T. Maag is named as assistant secretary. Joseph D. Breaks and Albert G. Cederstrom are given the title of financial secretary.

Allen C. Thomas, Jr., was appointed assistant counsel.

Dr. Shewbrooks was at one time assistant medical director of Northwestern National Life. He later became medical director of Lincoln National Life, then associate medical director of Acacia Mutual Life.

Mr. Rickards was graduated from Swarthmore College in 1927. He joined the actuarial department of Penn Mutual in 1928.

Mr. Runyon was graduated at New York University. In 1919 he went with Equitable Society where he became director of sales research, agency assistant, and agency manager. He was then superintendent of agencies for Acacia Mutual and later was a general agent for Fidelity Mutual. He joined Penn Mutual in 1941 as a supervisor in the home office agency.

Mr. Oswald joined Penn Mutual in 1926 and was in charge of personnel of the home office agency.

Mr. Maag joined Penn Mutual in 1909 as an office boy. He was one of the organizers of the Penn Mutual Association, the organization of home office employees. He is president of the Penn Mutual Quarter Century Club.

Mr. Breaks is a graduate of the business school of the University of Pennsylvania. Beginning in 1929 he was in the investment business, most recently with Guaranty Trust of New York, Halsey-Stuart & Co. and Manufacturers Casualty.

Mr. Cederstrom was for 16 years with United Gas Improvement Co. of Philadelphia.

Mr. Thomas is a graduate of Haverford College and University of Pennsylvania Law School. He joined Penn Mutual's law department in 1942.

Indianapolis Staff Fetes New General Agent

Paul M. Williams, who will become general agent of Aetna Life at Indianapolis Feb. 1, will be introduced to the insurance fraternity of that city Jan. 19.

Agency Vice-president Robert B. Coolidge will hold a noon-day introductory luncheon on that date at the Indianapolis Athletic Club. N. M. De Nezzo, assistant superintendent of agencies, also will attend. A week ago Mr. Williams spent several days at the home office in Hartford in connection with his new post, which became vacant three weeks ago due to the sudden death of Paul W. Simpson, general agent.

Mr. Williams has established an out-



P. M. Williams

United Medical Service of N. Y. Announces Surgical, Obstetrical Prepaid Plan

NEW YORK—Announcement of a prepaid surgical and obstetrical care plan, backed by the state and county medical associations, was made at a dinner attended by business, medical, labor and hospital representatives by R. H. George, president United Medical Service, which is offering the coverage that is sponsored by the medical associations. It provides individual subscribers with up to \$1,800 incomes and families with up to \$2,500 incomes complete payment of physicians and surgeons fees for surgical operations, treatment of fractures and dislocations, and maternity care, including prenatal and postnatal care. A physician treating subscribers with larger incomes may bill them for more than he receives from the service and a special provision in the contract permits persons in the \$2,500-\$3,500 income range to submit bills in excess of the fees specified to a physicians' review committee for consideration.

Membership under the plan will be available immediately to employed groups of 50 or more enrolled through payroll deduction in the Blue Cross hospitalization plan, Frank Van Dyk, vice-president Associated Hospital Service, said. These groups must include at least 75% of the total number of employees. Exception will be made for groups with a minimum of 25 employees provided the employer pays the enrollment fee.

Subscribers will pay monthly charges of 52 cents for an individual, \$1.12 for husband and wife, and \$2 for a family, Mr. George said. They will have free choice of physicians, those participating receiving specified fees based on rates similar to workmen's compensation schedules, and non-participating physicians up to 75% of the specified fees.

The service has already accumulated a \$150,000 surplus through the operations of one of its predecessor organizations, Community Medical Care, and needs no further contribution to launch the project, Mr. George reported. Improvements and relaxation in underwriting rules will be made just as soon as conditions permit, he indicated.

standing sales record and a splendid reputation in recruiting and training agents, and also in unit and agency management. He entered the insurance business in 1933.

Qualified as Regionnaire

In the years 1936, '37 and '38 he qualified for the company's Regionnaire group of honor salesmen. In 1937 he was a "Q.Q." or quick qualifier, which means that he completed the regional requirements in six months instead of the allotted 12.

Mr. Williams became supervisor in 1937 and in 1942, '43 and '44 was assistant general agent in the R. S. Edwards general agency in Chicago. He led this agency to first place country-wide in 1942 and 1944 and second place in 1943.

He received the C.L.U. designation in 1936 and is a director in the Chicago C.L.U. chapter. In 1937 he graduated from the Sales Research Bureau management school.

Cites Mo. Insurance Problem

JEFFERSON CITY, MO.—Gov. Donnell, in his farewell message to the Missouri legislature, called attention to the annual report of Superintendent Scheuffer, which reveals that in 1943 the premium taxes assessed against foreign insurers totaled more than \$3,453,000, as compared with \$3,295,000 in 1942, and he also commented on the Supreme Court S.E.U.A. decision and its possible effect upon the collection of premium taxes by the states.

Donnell recommended that the legislature make a careful study of the Missouri laws with respect to the taxation and regulation of insurance companies "with the end in view of enacting such legislation as may be prudent," in view of the Supreme Court's decision.

LIFE AGENCY CHANGES

Additional Changes by N. Y. Life

New York Life, which last week announced a number of changes in management of branches in the central department at Chicago, this week made known additional changes in the middle-west.

M. A. Grove has been appointed agency director of the enlarged Euclid branch office in Cleveland. He has been agency director in Dayton since Jan. 1, 1942. Mr. Grove started with the New York Life as clerk at Cleveland. In April, 1937, he went into the field to prepare himself for agency work, and in August, 1937, paid for 47 cases for over \$100,000 life insurance. He was appointed agency organizer at Cleveland in October, 1937.

J. J. Andrews, agency organizer in the Grand Rapids branch, is being promoted to agency director at Dayton. He was graduated from Drake University in 1934 and received the C.L.U. designation in 1940. He started as a full-time agent of the company before he entered Drake, and continued to represent the company while in college. Following a successful career in the field, he was appointed agency organizer at Cleveland in 1941; in February, 1943, was transferred to Detroit, and in May, 1943, to Grand Rapids.

Hammond and Burch Move

O. E. Hammond, agency director of the Euclid branch, is returning to Indianapolis in charge of the branch as agency director. He started with the company in Indianapolis early in 1926, and later that year he was appointed agency organizer. June 1, 1932, he was promoted to agency director of the Euclid branch office.

R. B. Burch, who is in charge at Indianapolis, is moving to Nashville as agency director. He entered New York Life's service in 1912 as clerk at Atlanta, was appointed agency organizer there in 1917 and six years later moved to Louisville. January 1, 1924, he was promoted to agency director at Louisville. His headquarters were changed to Indianapolis in 1939.

Metropolitan Life Shifts Battersby and Yarbrough

Raymond M. Battersby, formerly manager of Metropolitan Life at Bristol, Conn., has been placed in charge of the district office at Torrington, Conn. He joined the company in 1923 as an agent at Stamford, Conn., and in 1926 became assistant manager there. He was subsequently made general assistant manager and agency sales instructor in the New England territory. In 1937 he was appointed manager at Bristol.

Melvin H. Yarbrough has been named manager of Metropolitan Life's Holston district office in Knoxville, Tenn.

Mr. Yarbrough in 1926 joined Metropolitan as an agent in Rock City, Tenn., was made assistant manager in 1929 and served in that capacity in Pine Bluff, Ark., and Rock City. He then went with the field training division at the home office.

Park Is Field Assistant in Woods Agency Unit

The Woods Agency of Equitable Society, Pittsburgh, has appointed Julian Park, Duncansville, Pa., field assistant in the F. H. Conrad unit of the agency. Mr. Park's activities will be confined largely to Blair and Clearfield counties. In addition to personal production and service work, his new duties will involve recruiting.

Mr. Park has been with the company for seven years, with headquarters at Altoona, Pa. He is a graduate of Princeton. In each of the last five years

he has qualified as a member of a production club, and, in 1944, qualified for the Quarter Million Club.

Guardian Life Seattle Changes

Alfred J. Plechner has been promoted to manager in Seattle of Guardian Life. George M. Stevens, Jr., who has been manager more than 10 years, has become field director for Washington and Oregon.

Name Saville at Atlantic, Ia.

W. Keith Saville has been named general agent of American Mutual Life in Atlantic, Ia. He has been one of the leaders in personal production for Bankers Life, and the past year qualified for both its President's Premier Club and Quarter Million Dollar Club.

Advance Govan at Knoxville

Smith Tenison, Jr., state manager of the ordinary department of Prudential, has appointed Eaton P. Govan assistant manager in Knoxville, Tenn.

NEW YORK

OSHIN & HUBER HONORED

The Oshin & Huber agency of Home Life in New York City was honored at a luncheon in recognition of leading all the company's agencies in 1944. Officials of the agency department and general agents from Minneapolis and Syracuse also attended. W. P. Worthington, vice-president and superintendent of agencies, congratulated Clarence Oshin and Solomon Huber upon their achievement in starting the agency from scratch in January, 1943, and pushing it to top place within two years. John H. Evans, manager home office sales planning division, noted that the partners have contracted 10 outstanding agents who write business of the highest type.

Carl Spiro, leading producer of the agency, and Jack Garfunkel, the first agent to join the agency, spoke. Following luncheon, Mr. Worthington talked upon factors that make for individual success, stressing convictions, sincerity and enthusiasm; and a determined objective of sound, adequate service.

MAXCY AGENCY REPORTS GAINS

Life insurance today finds an eager market among corporations and businesses that see in employee benefit plans an opportunity to curb employee restlessness. Noel D. Maxcy, general agent Equitable Society, declared at the annual agency dinner. The individual buyer is more ready than ever to consider life insurance as the only practical medium available for estate building and protection of the family as the high cost of living and high war time taxes have dented his pay check, he declared.

The agency in 1944 achieved a 40% increase in paid business and a 25% increase in the number of agents qualifying for the production clubs. The average first year commission earnings, exclusive of renewals for the agency's 20 club members was \$4,000 a year. There was a 150% increase in the number of agents qualified for the Quarter Million Club or better.

Objectives in 1945 are a 50% increase in business as well as an increase in the number of club members and earnings per agent. George Klein, Jr., Ben Laeger and Gilbert Shelley, associate general agents, and R. J. Ross, agency group supervisor, pledged that the objectives would be accomplished. A total of 70 agents, brokers, and members of the home office staff attended.

BIERBAUM HAS RECORD YEAR

The R. F. Bierbaum agency of Mutual Benefit Life at New York in 1944 had its most successful year since it opened

in 1940. Its production exceeded 1943 by more than 30% and all but one agent increased production last year above the previous year.

GREAT N. Y. LIFE RECORD

During the sixth war loan drive members of the New York Life team of war bond salesmen in New York City made 152,493 cash sales to individuals and small corporations for a total volume of \$24,708,610.

More than 3,330 employees and agents participated.

As compared with the fifth drive, the number of small cash sales was increased by 2½ times and the volume was doubled.

A separate tabulation was kept of sales made to large corporations. There were 44 sales to large corporations for \$26,993,000.

Edward Clemmons and Henry Struthwolf of the surrender value division, working together, were the leaders. Each was credited with 5,821 cash sales for \$1,270,000.

There were 268 who made 100 or more individual cash sales, and 891 who made 50 or more. Ten or more sales were made by 2,088, who therefore qualified for the Blue Star Brigade ribbon of the war finance committee.

The best record was made by the surrender value division.

Insurance Bills Appear in N. Y. Legislature

A number of bills have been introduced in the New York legislature.

One provides that life policies and non-cancellable disability contracts shall not be cancelled for non-payment of premium installment or interest on policy loans unless notice is mailed at least 30 and not more than 45 days before the due date or unless the second notice is mailed at least 10 and not more than 20 days prior thereto.

One measure would create a health insurance fund in the state health department to permit persons of low income to insure against medical care. The fund would be capitalized at \$100,000 and would be supported through contributions by employers, employees and the state.

There is a bill to permit life insurance agents to receive renewal commissions or collection fees of not more than 6.5% after the first year for the duration of the policy instead of 5%. Of this amount not more than 6% can be paid in renewal commissions and .5% in conservation commission.

There is a provision for reasonable counsel fees in unreasonably contested life insurance policy actions.

FRIDEN

FULLY AUTOMATIC CALCULATOR

in Combat



WANTED BY THE ARMED FORCES... a convertible calculator, with full automatic features. Should electricity fail or not be available the FRIDEN convertible mechanism permits hand crank operation, without loss of the full automatic operating features. Truly a "Combat" calculator... ready for action in a foxhole, tank, command car, or in a headquarters office. Friden also provides BUSINESS with accurate figures, combating the shortage of competent help. Telephone or write your local Friden Representative for complete information and availability of these calculators.



Friden Mechanical and Instructional Service is available in approximately 250 Company Controlled Sales Agencies throughout the United States and Canada.

FRIDEN

FRIDEN CALCULATING MACHINE CO., INC.

HOME OFFICE AND PLANT - SAN LEANDRO, CALIFORNIA, U.S.A. - SALES AND SERVICE THROUGHOUT THE WORLD

EDITORIAL COMMENT

"IWATIASBTPOTC"

To help a little in alleviating the government's drastic curtailment of paper consumption by publications, perhaps the old Phillips Code might be revived and adapted to wider use. This was the system of abbreviations that press telegraphers used to employ, in the days before teletype machines, when all wire dispatches had to be tapped out by hand in the Morse code.

For example, if a telegrapher receiving a murder story heard "SAIK" clicking over the wire he typed out "shot and instantly killed." Similarly, "POTUS" meant "President of the United States." Think of the space that could be saved by boiling down expressions like, "it was announced today in a statement by the president of the company." This would become "IWATIASBTPOTC," which could eventually be shortened to "IWAT" as readers became familiar with the idea.

Releases or "handouts" are not the only source of verbiage which could be reduced to capsule form. The publications themselves tend to cling to ritualistic phrases such as "well informed

sources" or "informed circles," or in a case where the source might be wrong this time, "usually well informed sources." In a sense these rubber stamps are abbreviations themselves, being shorter than saying "according to a couple of guys who always know what they are talking about but who would probably lose their jobs if I told who they were."

Perhaps the answer would be for the duration, at least, to have it generally understood that all news items are believed to be factual unless qualified as rumors, that all persons advanced to new positions owe their advancement to their numerous sterling qualities that admirably fit them for their new posts; that if a man is celebrating his 25th anniversary with his company this year it can be assumed without saying so that he started to work for it in 1920; that unless otherwise specifically stated the subject of any item is well known and highly respected and that anyone who dies was held in affectionate regard by a wide circle of friends all of whom will mourn his untimely demise.

Actuary Comments on Editorial

E. F. Estes, assistant actuary Bankers Life of Nebraska, comments on a recent editorial in THE NATIONAL UNDERWRITER which was captioned "The Shadowy Fringe." The point was made that very low loss ratio might become a point for criticism. Mr. Bates says:

"Very possibly the yardstick there suggested has merit, provided it is sensibly applied. I have particularly in mind a very possible criticism that could be leveled against life companies (and this criticism has been made on numerous occasions). So long as the American experience table is a valuation

standard used rather uniformly in the laws of nearly all the states, it is not at all impossible for a very properly managed company to show as low a mortality ratio as 20% (thinking in terms of actual to expected mortality) and yet have such a low ratio entirely proper.

"I merely wish to mention this because of the very general misunderstanding that might be possible were such a yardstick as is suggested applied against a mortality table that, in actual practice, is not the basis for premium calculation."

The Reason for Industrial Endowments

AN ANGLE about industrial insurance which the SEC-WPA Boston survey failed to mention is that a large reason for the numerous endowment policies issued on children's lives is a religious or traditional unwillingness on the part of buyers to purchase cheaper forms of coverage designed to take care solely of the death hazard. Children's endowment policies became a subject of considerable study by the New York insurance department following the legislature's ban on this type of policy. The department found that the large majority of industrial policyholders in New York

City, according to test surveys, knew what an endowment policy involved, were fully aware that it cost more and still preferred it to the cheaper whole life policy.

Many industrial policyholders, and particularly those of certain nationalities shrink from any type of contract which puts them in the position of standing to profit by the death of one of their children.

This may be quite an understandable reaction. Persons of an emotional type can readily get the idea that they are in some way speculating on a be-

loved member of their own family.

On the other hand, where the savings element is emphasized and the death indemnity subordinated, as in an endowment policy, there is not this revulsion on the parent's part. The endowment is a savings fund being built up for the child, who can take it over and continue the payments to maturity. The death indemnity is incidental, mainly serving to return to the premium-payer what has been put into the contract.

This payment of relatively large amounts of endowment premiums on children and other members of the family as contrasted with smaller coverage on the breadwinner is of course an undesirable condition. At the same time it must be understood that the income level of many of these families is such that they cannot hope to carry any great amount of insurance on the principal breadwinner. They can cover what can reasonably be expected to be last illness expenses and the outlay necessary for funeral and burial.

But buying sufficient insurance to protect the insured's income to any appreciable extent in the future is out of the question.

Even where there proves to be a surplus over the last illness and burial expenses the temptation is strong, in the depths of the family's grief, to put this extra money into a more elaborate funeral in a pathetic effort to honor the deceased's memory. Such a funeral complete with brass band, may cost considerably more than the last rites for a person in a much more prosperous economic stratum.

Thus, while the preponderance of premiums paid in some families on children's policies as compared with insurance on the breadwinner is an undesirable situation and one which the industrial writing companies have for some time been trying to better, the condition is by no means surprising when the true facts are all weighed and certainly far less sensational than the SEC-WPA report would lead the reader to believe.

PERSONAL SIDE OF THE BUSINESS

The newly organized Greater Boston Development Committee is headed by Jay R. Benton, president of Boston Mutual Life. Frederic C. Church, Jr., of Boit, Dalton, Church & Co. is on the executive committee.

Dan LaClair, manager at Aurora, Ill., for Mutual Benefit Health & Accident and United Benefit Life, has completed 20 years in the insurance business. He started at the home office of Missouri State Life and has been with his present organization since 1930. He served as chief underwriter in the life department of United Benefit Life until he became manager at Aurora in September, 1943, since which time the agency has made outstanding progress.

Claris Adams, president of Ohio State Life, was toastmaster at the Chamber of Commerce banquet given in Columbus for Governor Lausche, state officials and members of the legislature. Governor Lausche was one of the speakers.

Lt. Col. Clyde H. Fuller, a special agent in the Stamm agency of Northwestern Mutual Life in Milwaukee when he was called into active service, has returned to his home in Milwaukee after more than a year overseas. He is retiring from active duty, subject to call. Col. Fuller served in the last war with the 107th Engineers in France and later was an assistant purchasing agent for the AEF in Italy.

Stratford Lee Morton, Connecticut Mutual general agent at St. Louis, addressed a meeting of the St. Louis Rotary Club urging the members to enlist votes for a new constitution for Missouri upon which balloting will take place Feb. 27. Mr. Morton was largely instrumental in organizing the movement for a new constitution. He was chairman of the St. Louis committee on revision and was treasurer of the statewide committee. He spent a year in Jefferson City as delegate-at-large.

G. E. Lackey, Detroit general agent

of Massachusetts Mutual Life, has been named a member of an advisory committee on business administration at Wayne University. One member from each profession and business covered in the college's curriculum was placed on the board.

Nathaniel Reese, who recently relinquished many of his duties as Detroit general agent of Provident Mutual Life after heading the agency for nearly 40 years, has gone to Palm Beach. He is the company's oldest general agent in point of service.

Earl Broder, special agent of Northwestern Mutual Life with the Jamison & Phelps agency in Chicago, has completed three decades of continuous service with that company, and now is wearing a veteran's 30 year service pin. He joined the St. Paul agency in December, 1919, and transferred to Chicago 10 years later.

Phineas M. Henry, Sr., general counsel of Equitable Life of Iowa, received a silver star awarded posthumously in simple ceremonies at Fort Des Moines for his son, Capt. Phineas M. Henry, Jr., 29, who was killed in action in France following the invasion of Normandy. Col. F. U. McCoskrie, commanding officer of the post, presented the award.

Earl A. Eide, ordinary manager of Prudential in St. Paul, has been elected potentate of Osman temple of the Shrine.

Lee M. Parker, president of the American Service Bureau, has just completed a visit to its offices in St. Louis, Galveston, Houston, San Antonio, Waco and Dallas.

Verlin J. Harrold, general agent in Fort Wayne of Lincoln National Life, will be honored at a dinner Jan. 19 to celebrate the completion of 25 years with the company. Speakers will include A. J. McAndless, president, and A. L. Dern, vice-president. Awards also will



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BRANCH OFFICES IN KEY CITIES

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CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2704. O. E. Schwartz, W. A. Scanlon, and A. S. Cutler, Associate Managers. E. E. Lindgren, Advertising Manager.

CINCINNATI 2, OHIO—420 E. Fourth St. Tel. Parkway 2140. Abner Thorp, Jr., Vice-President. George C. Roeding, Associate Manager; J. T. Maloney, News Editor.

DALLAS 1, TEXAS—526 Wilson Bldg., Tel. Riverside 3353. Fred B. Humphrey, Resident Manager.

DES MOINES 12, IOWA—3333 Grand Ave., Tel. F 477. R. J. Chapman, Resident Manager.

DETROIT 20, MICH.—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

MINNEAPOLIS 2, MINN.—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

NEW YORK 7, N. Y.—99 John St., Room 1103. Tel. Beekman 3-3958. Editorial Dept.—R. B. Mitchell, Eastern Editor; George E. Wohlge-muth, Assistant Editor; Dorothy B. Paul,

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"I WANT AN INSURANCE POLICY THIS SIZE!"

be presented to leading salesmen of the district.

Charles E. Becker, president of Franklin Life, and Mrs. Becker announce the marriage of their daughter, Miss Jacquelyn Anne Becker, to Thomas Robert Cole, to take place at St. Agnes church, Springfield, Ill., Saturday. Mr. Cole is the son of Mrs. Ann Cole of Peoria. Miss Becker attended Greenwood School, Ruxton, Md., Villa Duchesne, St. Louis, and was graduated from Monticello College. She also attended a secretarial school in Chicago.

Mr. Cole graduated from St. Joseph's College in Indiana and is attending St. Louis University where he will receive his D.D.S. degree in June. He is president of the national dental fraternity.

DEATHS

David M. Spriggs, who as assistant attorney general has handled the legal problems of the Ohio insurance department for six years, died at his home in Columbus. He had been reappointed by Hugh Jenkins, who assumed his duties as attorney general last week.

Mrs. Charles J. Richman, widow of Charles J. Richman, for 30 years Indiana state agent of American of Newark, died at her home in Tipton, Ind., Monday. She was the mother of Ralph E. Richman, vice-president of THE NATIONAL UNDERWRITER, Boston, and Paul G. Richman, insurance agent of Tipton.

Robert B. Marsh, a veteran Chicago life man and agent connected with the Parsons agency of Mutual Benefit, died in St. Francis hospital, Evanston, Ill., from pneumonia following a heart attack due to coronary thrombosis. He was 79 years of age, had been connected with a number of companies in Chicago and wrote a fine class of business in a volume of about \$200,000 annually.

Mr. Marsh early in life went to Montana where for many years he operated a ranch. He became interested in life insurance selling and for several years was quite successful as a district agent of Equitable Society in Montana. Then he returned to Chicago and sold insurance for Equitable for a number of years. Mr. Marsh was interested in new sales and service ideas and made a number of changes in agency connection for

this reason. He went with the Fowler agency of New England Mutual, then with Sam T. Chase, general agent of Connecticut Mutual. Later he joined the Hughes agency of Massachusetts Mutual and then went with L. J. Fohr, Connecticut Mutual general agent. About two years ago he joined John Hancock and then returned to the Fowler agency for a time before going with the Parsons agency. A brother, Everett Marsh, is connected with Equitable Society in Chicago.

Herbert L. Thompson, 46, manager of the home office agency of Supreme Liberty Life, Chicago, for 18 years, and 20 years with the company, was killed in an automobile collision there.

AGENCY NEWS

Ruth Day of Detroit Wins Top Production Cup

DETROIT—At a luncheon Tuesday, Ruth Day of the Detroit agency of Bankers Life of Des Moines was presented an inscribed cup symbolic of her winning top production honors in paid-for volume for 1944 in an informal inter-company production club consisting of the leading woman producer of each of four Detroit agencies and their respective general agents and managers.

Her paid volume was \$280,264. She won the club production honors in seven of the 12 months. Paul Rilett, her manager, made the presentation. This is the second consecutive year that Miss Day, who is vice-chairman of the women's division of the Detroit Life Underwriters Association, has been awarded the annual cup.

Present at the luncheon, in order of their paid-for production for the year, were Matilda Wells, Prudential ordinary agency, and her manager, F. L. Klingbeil; Florence E. Lorf, Penn Mutual, and her general agent, B. A. Schauer, and Sadie Brooks, Mutual Life of New York, and her manager, J. W. Paige. The club holds monthly luncheon meetings and the three losing managers share the bill.

Spooner Agency's Good Record

W. Kyle Donnell, Jr., a marine officer retired because of disability without

previous experience, working under A. Lloyd Spooner, San Antonio manager of Equitable Society, paid for \$150,000 of business in his first seven months in the business. This agency paid for 152% of its quota in 1944.

Cliff Merrill of El Paso paid for about \$400,000 and qualified for the Quarter Million Club. A. Constant, appointed district manager at San Angelo, Tex., a year ago, in his first year wrote more than \$500,000.

Kaul Agency Makes Record

The Paul C. Kaul agency of Connecticut Mutual Life at Omaha in 1944 paid for double the volume of any previous year. The agency had an increase of 68.7% with \$2,048,155 of business. The agency has had 32 consecutive plus months and 62 plus months out of a possible 71. It ended the year in 4th place in percentage of increase and 17th in volume in the company, passing 52 agencies since February, 1939, when Mr. Kaul was made general agent.

La Noue Matta, Acacia Mutual Life, Los Angeles.—Reports 1944 the best year in the history of the office, with in excess of \$7,700,000 new business placed, and 37% produced by full time men in their first contract year. The entire production is ordinary life business.

Hays & Bradstreet, New England Mutual Life, Los Angeles.—Agency ranked No. 1 for 1944 with paid-for life volume of \$10,708,620, not including annuities. The agency also holds No. 1 place on gain in insurance in force for 1944.

The book every A. & H. man should read—"Planned Salesmanship," by Cousins. \$3.00 from National Underwriter.

MANAGERS

Arnold Gleason President of Spokane Managers

SPOKANE, WASH.—At the annual meeting of the General Agents & Managers Club, Arnold Gleason, Union Central, was elected president; Roy Phillips, Occidental Life, vice-president, and Joy Williams, Lincoln National, secretary.

New trustees are: Bernard Lenoue, Oregon Mutual; Horace Hathaway, Northern Life, and Fremont L. South, Sun Life.

Blood donations of about 150 persons to the war effort were offered, the offer including the office staffs of members.

Atlanta Cashiers Hear Mayor

ATLANTA—New officers were installed at the first annual dinner of the Life Agency Cashiers & Office Managers Association by the retiring president, W. S. Williams, Mutual Benefit Life. A number of guests attended, including general agents and the wives or husbands of cashiers.

The principal speaker was Mayor Hartsfield of Atlanta. A talk was also made for the General Agents & Managers Club by its president, Robert L. Foreman, Jr., Mutual Benefit.

The new president is J. I. Oberst, Northwestern Mutual; 1st vice-president, L. D. Richards, Sun Life of Canada; 2nd vice-president, Miss Marion McLeod, John Hancock; secretary, Miss



ON JANUARY 31, 1945 WE COMPLETE

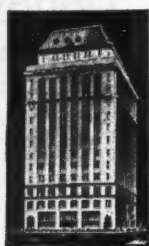
100 YEARS OF EXPERIENCE

AND BEGIN OUR SECOND CENTURY OF

LIBERAL SERVICE TO POLICYHOLDERS

The Mutual Benefit Life Insurance Company

Newark, New Jersey



EXTRA

CAL-WESTERN'S

Three-Point Compensation System for Agents

1. Adequate first year commissions with extra margins first year.
2. Life-time renewals.
3. Retirement plan.

Plus These Extras

1. Cash bonuses for App-A-Week, Ten-A-Month and Leading Producers' Club memberships.
2. Free Group life insurance.
3. Free Group health, accident and hospitalization.

"The 'Agency Minded' Company" operating in Eleven Western States and Hawaii.

**CALIFORNIA-WESTERN
STATES LIFE
INSURANCE COMPANY**
Home Office: Sacramento

Fae Allen, Union Central; treasurer, Miss Geraldine Pair, Massachusetts.

Darnell Heads Dallas Cashiers

Walter C. Darnell, John Hancock, has been elected president of the Life Insurance Cashiers Association of Dallas. Hazel Richard, Business Men's Assurance; Kathryn Maxwell, State Mutual; Marvin K. Price, Union Central, are vice-presidents; Ina Hartnett, Minnesota Mutual, secretary; Nita Hampel, Great American Reserve, treasurer.

Speicher Pittsburgh Speaker

Paul Speicher, R. & R. Service, spoke Jan. 18 on "The Agency Manager Looks Ahead" at a luncheon meeting of the Agencies Committee of Pittsburgh.

Barrett Indianapolis President

Wendell Barrett, Provident Mutual Life, has been elected president of the Indianapolis General Agents & Managers Association, with Fitzhugh Traylor,

Equitable Society, as vice-president, and Ray Patterson, Penn Mutual Life, treasurer. Paul Speicher, R. & R. Service, was reelected secretary.

Buffalo Group Hears Attorney

Attorney Edward H. Kavinoky addressed the dinner meeting of the Buffalo Life Managers Association Wednesday on "Why I Do Not Like Life Insurance Salesmen." The chairman of the program committee was David B. Adler, Massachusetts Mutual.

Peckham Before Supervisors

Charles J. Peckham, agency director of New York Life in Pittsburgh, will address the Pittsburgh Supervisors Club Jan. 22 on "The Supervisor's Job of Training and Education." He is a newcomer to Pittsburgh.

Capt. Hale B. Eubank, who spent 18 months in the Pacific war theater, addressed the Life Insurance Managers Association of Portland, Ore.

LIFE SALES MEETINGS

Pilot Life Agency Heads Hold Parley

The report by President Emory C. Green of the progress and accomplishments of 1944 featured the two-day meeting of 50 Pilot Life general agents and managers at the Greensboro home office. Mr. Green emphasized the value of Pilot Life's non-contributory pension plan now in its fourth year whereunder many representatives may retire on \$200 a month at age 60 or 65.

J. M. Waddell, vice-president and agency manager, was in charge of the sales congress. At his suggestion the group adopted as the objective for 1945 to go over the \$200 million mark in insurance in force.

New sales ideas and sales promotion material was introduced including the new material on the chartered estates plan.

A number of other home office executives and field men addressed the gathering. J. W. Underwood of Charlotte, N. C., was the leading personal producer and manager of the leading agency last year.

Great American Reserve Agents Meet in Dallas

Leaders in the three production clubs of Great American Reserve of Dallas were announced at the annual field men's meeting held there Friday and Saturday. They are:

Wallace Club, for largest individual earned income 1944—C. C. Martin, president; Ernest C. Carter, vice-president; Accident & Health Club, for largest individual earnings in A. & H. only—C. C. Martin, president; Jim Lindsey, vice-president; Life Club, for largest written and paid volume of life insurance—Jim Lindsey, president; Cy Young, vice-president.

The program for the business meeting covered the company's growth for 10 years, and expected production in 1945. The growth was celebrated at a banquet at which company officials, club leaders and their wives were present. Travis T. Wallace, president and founder, originator of the Garco sales training plan that has proved successful, presided; introduced leading agents and presented prizes in the form of war bonds. C. O. Hambleton, executive vice-president, who was associated with Mr. Wallace in forming and building the company, shared head table honors. Low personnel turnover and consistent performance year after year were attested by the record of one man who has led every year but one, and the fact that of the more than 20 opportunities to finish one-two in production, only eight men have ever finished that high up.

Dancing followed dinner. It was announced the average earned commission of the salesmen present was about \$8,000 in 1944.

Mutual Life Has Okla. Rally

The first state meeting of the Oklahoma agency of Mutual Life under management of Edward E. Waller was held in Oklahoma City. James H. Lake, training assistant from the home office spoke on insured income and junior estate coordination. At the luncheon, Bryan Bowers, who represents the Oklahoma Association of Life Underwriters in legislative matters, explained the significance of the 4% premium tax on foreign companies in Oklahoma, and urged support for the movement to have it reduced.

At the afternoon session, Ivan Bush, Tulsa, spoke on "How I Increased My Production" and Claude Bradshaw, Stillwater, on "Prospecting." Manager Waller announced a 53% increase in production in 1944. Mr. Bush was leading producer for the year with \$350,000, and Dave Neely, leader in number of cases.

American H. & L. Sales Conference

American Hospital & Life of San Antonio held its agency sales conference at New Braunfels. H. C. Christopher, vice-president and agency director, and Russell Good, agency manager, discussed the recruiting problem. President S. E. McCreless spoke on "Opportunities and Responsibilities" of the salesman and presented an engraved gold watch to Densel Dean of Amarillo, the leading manager.

Responsibilities to veterans and the importance of their keeping the government insurance were discussed. Dan McWhirter, agency supervisor, spoke on the importance of time control.

Beneficial General Agents Meet

General agents of Beneficial Life held meetings at the home office in Salt Lake City. The theme was "Presenting and maintaining fundamental principles, through greater knowledge; through improved methods; through increased skill." There were private conferences, lunches and talks; sales clinic and a dinner. President W. H. Andrews of the National Association of Life Underwriters spoke at the luncheon the first day.

Scranton Life Aces Meet

The 21 members of the Scranton Life Distinguished Service Club attended a regional agency meeting in the home office city. Service to returning veterans was a subject that commanded much attention. Company officials entertained the group at a dinner at the Waverly Country Club.

President Robert Merriman announced that new paid business last year

exceeded that of 1943 by 25%. The gain in insurance in force was the largest since 1922 and insurance in force reached the highest peak since 1932.

Mutual Life Utah-Idaho Meeting

The annual agency meeting of Mutual Life agents from Utah and Idaho was held in Salt Lake City. Henry Parsons, training assistant from the home office, spoke and also conducted a round table discussion. Manager Carson E. Bechtol had charge of the meeting.

Mass. Mutual Executives in Okla.

In attendance at the annual meeting of the Oklahoma City agency of Massachusetts Mutual Life were Chester O. Fischer, vice-president; Lambert Huppler, manager of the pensions department, and Robert Ardison, his assistant. J. Hawley Wilson, general agent, presided at the business sessions and announced a gain in business delivered in 1944 of 12%, with more than \$1½ million in force in the state Dec. 31.

Robert L. Hogg, manager and general counsel of the American Life Convention, was a special guest at the luncheon, with Theo. Green presiding. The visiting executives remained over to attend the sales congress of the Oklahoma Association of Life Underwriters the next day.

SPOTLIGHT OPENINGS

for GENERAL AGENCIES

in
**ILLINOIS
ROCKFORD
PEORIA
DECATUR**

Liberal
Commissions
Development
Funds
Office
Allowance
Persistence
Bonuses
Organization
Allowance



Write
Harry S. McConachie
Vice President
**American
Mutual Life**
Insurance Company
FOUNDED 1853 IN 1897
Des Moines, Iowa

AMONG COMPANY MEN

Prudential Field Men to Home Office

Two field representatives of Prudential, each with an outstanding record, have been appointed supervisors and transferred to the home office.

Laurence E. Olson, former assistant manager of the Kansas City ordinary agency, and George E. Steigerwald, also an assistant manager in the Philadelphia ordinary agency, have been assigned to the ordinary agencies department. The former has been assigned to supervisory duties over the western agencies, while the latter will be identified with the northern group.

Mr. Olson joined Prudential in Kansas City in 1940. He became an assistant manager the next year. He attended Kansas University.

In Business Since 1930

Mr. Steigerwald was graduated from the University of Pennsylvania in 1927. He entered the life insurance field in 1930 and in 1941 became affiliated with the Philadelphia ordinary agency. His appointment as assistant manager came in 1942.

Marion Thompson and H. M. Swarthout, who have been special agents at Kansas City, are now assistant managers there.

Roger W. Somers to Mutual Life Home Office

Roger W. Somers of Chicago has joined Mutual Life to assist in the promotion of salary savings plans. For the present, he will be located in the home office as an assistant to Rogers Bourland, director of sales promotion. He will later be available for field work on salary savings plans.

Mr. Somers has been a life insurance and employee benefit plan specialist with Marsh & McLennan. He graduated from Webster College, now Kent College of Law, in 1918 with an LL.B. degree.

After service in the last war he became manager of the life department of Rollins - Burdick - Hunter Co. agency, Chicago. In 1932 he was appointed general agent for Continental Assurance in Chicago. He joined Marsh & McLennan in 1939.

McConaghy to Home Beneficial

Home Beneficial of Richmond, Va., has appointed C. A. McConaghy assistant actuary. He was formerly actuary of Shenandoah Life and has had actuarial experience with several other life companies. He is a member of both the Actuarial Society of America and the Institute of Actuaries of England.

Clarkson to Red Cross

John Clarkson of the home office underwriting department of Mutual Benefit Life has resigned to become assistant field director of the American Red Cross, with headquarters in Washington, D. C.

Stearns, Sheridan Win Promotion

Glenn A. Stearns has been appointed assistant manager of agencies by Fidelity Mutual Life. For the last two years he has been supervisor of agencies.

He is a graduate of University of New Hampshire. In addition to eight years of teaching and coaching, he had an extensive life insurance sales experience with Equitable Society and Aetna Life before entering supervisory work. He was for three years supervisor of agencies for Union Mutual Life, first in western territory then in New England. For three years he was superintendent of agencies for that company just prior to joining Fidelity Mutual.

Dr. Joyce T. Sheridan, since 1932 assistant medical director of Fidelity Mutual, has been appointed associate medical director. He has had broad experience in medical selection and for several years has had full charge of medical examiners.

He has had a special interest in cardio-vascular work and has contributed articles on this subject to insurance medical literature and before the Association of Life Insurance Medical Directors. Prior to going with Fidelity, he was for 1½ years assistant medical director of Philadelphia Life, and in 1927 became medical director of that company. He retained the post until joining Fidelity in 1932.



Glenn A. Stearns

CHICAGO

ADDITIONAL FORUM SPEAKERS

David J. A. Hayes, Chicago attorney and probate court referee, will address the Feb. 21 session of the Saturday sales forum presented by the Chicago Association of Life Underwriters, on "What a Life Underwriter Should Know about Wills and Estate Problems." The Continental Illinois Bank will furnish leaflets on "Laws of Descent" to those who are enrolled. H. P. Gravengaard, associate editor Diamond Life Bulletins, will speak on "Our Responsibilities to American Business." He is author of the well-known Diamond Life business insurance books, "Partnerships," "Key Men," "Sole Proprietor and Close Corporation."

H. P. McLaughlin, Hughes agency, Massachusetts Mutual, is chairman of the educational committee in charge of the series.

Lester O. Schriver, Peoria, Ill., general agent of Aetna Life, will open the 1945 season for the Chicago association at a luncheon Jan. 25, speaking on "Riding the Punches." J. M. Royer, Penn Mutual, is program chairman. Chicago women who qualified for the National Women's Quarter Million Dollar Round Table will be honored. They are: Ethel N. Elmer, Connecticut General; Vara M. Hunt, Mutual Benefit; Helen M. Zepp, Agnes Bruder and Sara Frances Jones, Equitable Society, and Mary Jane Thomas, Mutual, N. Y.

Preston Hotchkiss, executive vice-president of Pacific Indemnity and past president of the California State Chamber of Commerce, addressed the life insurance committee of the Los Angeles Chamber of Commerce on "The Workings of the State Chamber of Com-

merce." John R. Mage, general agent of Northwestern Mutual Life, is chairman of the life insurance committee.

Occidental, Cal., Has Agents Group Plan

LOS ANGELES—Occidental Life of California has announced to its agents a cooperative insurance plan to which all full-time agents may become eligible from production credits on life, accident and sickness, group and pension trust business. The plan will serve as a stimulus to production. It is designed to be effective as of Dec. 31, 1944, for all initially eligible agents, with provision by which others subsequently may qualify through production credits.

The agents must indicate by Jan. 31, whether they will accept the plan, and its becoming effective depends upon whether or not 75% of eligible agents apply by the end of this month. If they do not do so the plan will be discontinued. Branch managers are not included but general agents are. Amount available to each man is scaled to his production credits.

If the agent leaves the company after five years he may convert a portion of the insurance into any non-participating form issued by Occidental, subject to paying the required premium. The portion of insurance which may be converted depends on the length of time his contract has been in force. Five years and under 10 years, 25%; 10 to 15, 50%; 15 to 20, 75%; 20 years or over, 100%. When the agent's contract terminates the insurance under the plan also terminates.

Occidental reserves the right to change or discontinue the plan at any time. Each month the agent's account if he participates in the plan will be charged at the rate of 60 cents per \$1,000 of insurance on his life. The balance of the premiums is to be paid by Occidental.

McLain Honored for 25 Years with Guardian

J. A. McLain, president of Guardian Life, was honor guest of a group of managers of the company at a dinner in New York on his 25th anniversary with the company. He will be honored similarly by a second managerial group at another five-day business conference beginning Jan. 22. To minimize travel and keep attendance at a minimum, managers from only 14 agencies outside New York attended the first conference and 18 agencies will be represented at the second series.

F. F. Weidenborner, agency vice-president, presided and sounded the keynote with his report that the 12-month campaign results exceeded the objectives set last January. Carl Heye, former president, presented a service pin to Mr. McLain, who also received a gift of silver.

Johnson Talks to Road Men

Business will be required in the future to do something beyond conducting its operation for the profit or the good of its ownership, H. J. Johnson, president Institute of Life Insurance, asserted at the American Road Builders' Association meeting in Chicago. He cited the contribution of the life insurance business to the national effort to prevent inflation as an example of how private enterprise can contribute to the general welfare.

"Efficiency Index" Course

L. W. S. Chapman, director of service Sales Research Bureau, will open the educational series, "Your Efficiency Index", sponsored by the New York City Life Underwriters Association Jan.

"Newsweek" is the new servicemen's newspaper being published monthly by Phoenix Mutual. The title was chosen in a contest and was suggested by Dr. Llewellyn Hall, assistant medical director.



Since 1867

a life insurance company distinguished by
the character and ability of the men and
women comprising its field organization...
and by the integrity of its management.

EQUITABLE LIFE OF IOWA

Founded 1867

HOME OFFICE

DES MOINES, IOWA



25, speaking on "Do You Want to Enough?" Following Mr. Chapman, W. P. Worthington, vice-president and superintendent of agencies of Home Life, speaks on "Let's Make a Practice of Life Underwriting" Feb. 1; R. C. Johnson, assistant vice-president New York Life, "Prospecting" Feb. 8; H. G. Kenagy, superintendent of agencies Mutual Benefit Life, "Increasing Skill in Sales Presentation" March 1, and V. B. Coffin, vice-president and superintendent of agencies Connecticut Mutual, "Keep on Growing" March 8.

Three members, Jack Garfunkel, Home Life; Bruce Lowry, New York Life, and Henry Silver, Mutual Benefit, will illustrate how they have benefited by translating these ideas into action.

Group A. & H. Losses Up 10%

The loss ratio in group accident and health insurance which increased conspicuously in 1943 kept on the upward path in 1944 and it is believed that the figures will show an increase of about 10% over the 1943 record. Group companies have instituted various controls in order to prevent the loss situation from getting out of hand but many of the leaders in the field believe that the loss situation is temporary due strictly to the war conditions.



★ THANKS TO THOSE WHO HAVE COMMENTED UPON R & R's 31ST REPORT. THIRTY-ONE YEARS IS NOT LONG IN THE LIFE OF A REDWOOD, BUT IN MAN'S LIFESPAN, IT IS A MAJOR SECTOR.

LOOKING BACK ON '44, I find it impossible to single any one R & R staff member for special mention. I am not un-mindful of the good work BOB OSLER does on "The R & R Magazine" nor that his "What's Happening" (Weekly News Review Digest) clicks 100 per cent.

THEN THERE IS the major contributions of HILBERT RUST, C.L.U., whose "Financial Security" crystallizes the sales pattern of coming five years.

NOR MUST I FORGET RAY W. HILGEDAG and JAMES L. MILLER, (Advanced Underwriting Division.) Conservative and sound—these two are coming to the fore in estate planning and taxes.

THEN THERE ARE ALDEN C. PALMER and EDWARD F. STEPP who in the Educational Division are doing the best job we have ever done.

★ ★ ★ ★ ★
THUS MY ROLE IS ONE OF STEADILY LESSENING SIGNIFICANCE. THIS IS AS IT SHOULD BE, FOR IT IS GOOD TO REACH THE JUNCTURE WHERE YOU ARE SURROUNDED BY MEN OF CAPACITY.

PAUL SPEICHER
Managing Editor
THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

COMPANIES

N. E. Mutual's New Business, in Force at Record High

New England Mutual Life in 1944 had the largest new production of its history. New business, exceeding \$170 million, showed a gain of 27% over 1943, with 54 of the company's 69 agencies recording increases.

Insurance in force reached a new high of \$1,897,000,000 and the increase during the year was equivalent to 70% of the new business production.

The company's leading general agency was Hays & Bradstreet of Los Angeles, with a production of \$10,708,000. Next in line were the following agencies: Isadore Freid, New York City; Merle G. Summers, Boston; C. Preston Dawson, New York City; H. Arthur Schmidt, New York City; Edgar C. Fowler, Chicago; the Detroit agency, Fraser E. Pomeroy, manager; Albert E. Payton, Los Angeles; Albert H. Curtis & Co., Boston, and C. Vernon Bowes, Newark.

Forty-four New England Mutual agents qualified for the Leaders' Association, which requires \$500,000 of new business. Other company production clubs have the largest membership in the history of the company.

Fifteen agents produced in club credits more than \$1 million in 1944.

The 10 leading agents in production were: David Marks Jr., New York, Freid agency; D. E. Leith, New York, Dawson; L. P. Mirsky, New York, Freid; O. P. Jacobson, New York, Dawson; Edward Choate, Los Angeles, Hays & Bradstreet; P. A. Hazard, Jr., Chicago, Fowler; W. H. McCoy, Detroit; R. W. Brooks, Buffalo; Isidor Hirschfeld, and C. H. Weiss, New York, Freid.

Olson Campaign Increases Guarantee Mutual in Force

The "Over the Top for Ole" campaign in November and December to honor A. B. Olson, agency vice-president of Guarantee Mutual Life more than attained the objective of \$180 million insurance in force by Dec. 31. The field force, in honoring Mr. Olson's 10 years of service, paid for \$5,380,018. With an increase in insurance in force for 1944 of \$16,958,267, in force as of Dec. 31 was \$181,484,179, an increase of 10.3%. The company had \$116 million in force when Mr. Olson joined it. New paid business in 1944 was \$24,366,139.

Minnesota Mutual Ordinary Business at New High Mark

Minnesota Mutual Life reports the second largest total paid business in its history in 1944—\$52,779,577. Its ordinary paid business, \$32,903,313, set a new high mark for the company.

Insurance in force at the end of 1944 was \$306,698,979, a gain of 8½%. Ordinary production increased 27½%. The average paid ordinary policy was up from \$2,773 in 1943 to \$3,430 in 1944. Lapse ratio was the lowest in its history, 3.8%, and terminations were almost \$2,000,000 less than a year ago on a much larger volume of insurance in force, \$306,698,979 at the close of 1944. Assets Dec. 31 were slightly more than \$70,000,000.

NEWS OF LIFE ASSOCIATIONS

Three Cities Plan Texas Congress

Organization of committees is under way in the host cities for handling the 16th annual tri-city sales congress of the Texas Association of Life Underwriters Feb. 15-17. Five nationally known sales leaders will be on the program. Bob J. Lyles, Austin, is president Texas association.

At Dallas, the congress will hold an all-day session Feb. 15. The general arrangements chairman is J. D. Edgecomb, John Hancock.

Co-host with Dallas for the opening session, the Fort Worth association has named a sales congress committee. Herman Heath, Farmers & Bankers Life, was appointed chairman.

O. P. Schnabel, Jefferson Standard, is general chairman at San Antonio, where the second all-day meeting will be held, Feb. 16.

The sales congress committee for Houston, where the windup meeting will be held Feb. 17, has been set up with W. H. Fabian, Connecticut General, as chairman.

The all-star speaking team which will provide the program at three congresses includes Claris Adams, president Ohio State Life and board chairman Institute of Life Insurance; B. N. Woodson, vice-president Commonwealth Life; and Judd C. Benson, manager home office agency Union Central, Cincinnati, and National association trustee; Newell C. Day, Davenport general agent, Equitable Life of Iowa, and H. R. Hill, Richmond, Va., district manager, Life of Virginia.

Anderson Addresses Austin Association on Prospecting

M. Allen Anderson, vice-president and director of agencies of Republic National Life, spoke to the Austin (Tex.) Association of Life Underwriters on "Prospecting in 1945."

He said the agent knows how many prospects are required for a sale and that the successful salesman must secure enough prospects each day to replace the number of old prospects eliminated by his sales. He stressed the importance of letting the buyer know that delivery of the policy is but the beginning of a service which has his welfare as its chief objective. Then he suggested that the agent say to the policyholder:

"I am sure that you would not hesitate to give me names of your friends who need this service because they are in situations similar to yours."

Mr. Anderson offered as an answer to the Monday morning problem, when the agent is cold and does not know just where he should go, a visit to a friendly policyholder with the statement that he has come to ask a favor but that no money is involved. The agent, he stated, should then explain some point which he has not presented before and

ask the advice of his friend as to someone in a situation to need the service offered. He also spoke at Lubbock.

Bell Speaks at Parley of Montana Association

BUTTE MONT.—While the average family now has \$4,200 in life insurance protection, that amount represents no more than the average annual income of a family, Hugh S. Bell, Seattle general agent Equitable Life, Ia., told the Montana Association of Life Underwriters at a special conference here. Mr. Bell, a N.A.L.U. trustee, emphasized that life agents will be the chief insurance service officers for returning service men.

William G. Preston, Great Falls, state president, presided at a session on legislative matters. Ralph W. Evans, state manager Pacific National Life and president of the Butte association, was in charge of arrangements, assisted by W. J. Heinzelman.

Cedar Rapids, Ia.—Morris G. Fuller, vice-president of State Farm Life, discussed modern sales approaches and selling techniques.

Pittsburgh—Paul Speicher of the R & R Service, Jan. 18 discussed "The Life Underwriter Plans for 1945."

Milwaukee—T. H. Tomlinson, manager of sales promotion of Bankers Life of Iowa, spoke on "Getting Set for Sales."

Salina, Kan.—H. N. Hamilton, superintendent of National Life & Accident, was discussion leader on "Industrial Insurance."

Wichita—Foster Vineyard of Campbell & Vineyard, Aetna Life general agents, Little Rock, spoke on "Timing." He is a past president of the Arkansas and Little Rock associations.

Racine-Kenosha, Wis.—The past presidents were hosts to members at a dinner party in Kenosha. Jack Nussbaum, vice-president of the Milwaukee association, was master of ceremonies. Alvin Moser, Milwaukee, spoke on the birth and progress of the association. Each past president spoke briefly.

Montreal—Isaac S. Kilbrick, New York Life, Brockton, Mass., addressed a luncheon meeting Wednesday on "Why Men Buy."

Akron, O.—James E. Rutherford, N.A.L.U. executive vice-president, discussed "America Looks to the Salesman."

Spokane, Wash.—W. H. Andrews, Jr., N.A.L.U. president, spoke and heard reports which generally showed big increases in business in Spokane and this region.

Birmingham, Ala.—H. T. Burnett, agency vice-president of Reliance Life, spoke on "As I See It," and T. J. McKenna, underwriting vice-president of that company, on "The Home Office Attitude Toward the Agent."

Nebraska—The committee on education headed by V. M. Bottom, Farmers & Bankers Life, Lincoln, is working on a program of installing the two textbooks, "The Hand-Book of Life Insurance" and "Life Insurance Dollars in Action," in the high schools of the state. A good start is being made. The committee on extension headed by C. E. Clinton, Aetna Life, Omaha, who becomes the new state vice president, is attempting to start or revive at least one new local association.

Detroit—L. L. Newman, associate general agent of Penn Mutual in Fort Wayne, Ind., spoke on "Maintaining Production." Harry Rife, Jr., New York Life co-chairman of the war bond savings committee, reported on increases in payroll war bond purchases in Detroit's factories serviced by association members.

Salt Lake City—W. H. Andrews, Jr., president National association, addressed a gathering of 200, being presented by

Forbes Zone 4 Chairman

LANSING, MICH.—Commissioner Forbes of Michigan has been elected chairman of Zone 4 to succeed Viehman of Indiana, who retired from office this week.

"Registered Policy Protection"

PROTECTING OUR AGENTS and all others

This Company does not solicit brokerage business, for two reasons:
1. Protection of contract and territorial rights of our own field representatives.
2. In recognition of time and money other companies have invested in their agencies.
General agents and salesmen alike are entitled to this consideration, and we are confident that it produces a more genuine feeling of partnership between this company and its agency organization.

M. ALLEN ANDERSON, First Vice President, Director of Agencies

Theo. P. Beasley,
President



DALLAS 8, TEXAS
HOME OFFICE

REPUBLIC NATIONAL LIFE INSURANCE CO.

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Frank Mozley, National committeeman. In the afternoon he met with officers of the state and local associations as well as the managers and general agents and discussed current problems. Mr. Andrews was accompanied by his wife and son, William III.

Cincinnati—Wilbur W. Hartshorn, superintendent of agencies of Metropolitan Life, will speak at a luncheon meeting Jan. 19 on "Success Formula—Today and Tomorrow."

Portland, Ore.—William H. Andrews, Jr., N.A.L.U. president, called on Portland life men to offer freely of their assistance to service men and women returning to civil life in the future in correlating the National Service Life Insurance they hold to their needs.

He was accompanied by Alfred C. Duckett of Los Angeles, trustee of the National association.

Marion, Ind.—James E. Rutherford, N.A.L.U. executive vice-president, spoke on "America Looks to the Salesman."

Washington, D. C.—Playing ball with the administration, Charles O'Donnell, Guardian Life, announces that the general joint sales congress of the District of Columbia and Baltimore scheduled here Feb. 15 has been canceled. It had been planned as a public relations conference, but the officers and directors decided it is better public relations to cooperate with wartime conservation measures.

At its regular luncheon meeting the District of Columbia association heard an address by Paul Speicher, Research & Review Service.

Northern New Jersey—Harry Harding of the Young & Rubicam advertising agency spoke Jan. 18 on "Selling Ideas."

POLICIES

Equitable, N. Y., Fifth Year Dividends Are Increased

Equitable Society's new increased fifth year policy dividends are shown below for several forms. The increases range from 11 to 14 cents per \$1,000. Other dividends continue on the 1944 scale.

5th Yr. Dividends Per \$1,000									
Age	Ord.	Opt.	Ret.	20	Ret.	20	10	Ret.	10
Ins.	Life	Life	at 65	Pay.	Inc.	Yr.	Yr.	Inc.	Yr.
20	12.63	12.66	13.71	12.60	12.90	13.37	13.37	12.90	13.37
21	12.77	12.81	13.86	13.11	13.41	13.72	13.72	13.41	13.72
22	12.92	12.97	14.01	13.26	13.56	13.87	13.87	13.56	13.87
23	13.07	13.14	14.17	13.41	13.71	14.02	14.02	13.71	14.02
24	13.24	13.32	14.33	13.57	13.87	14.18	14.18	13.87	14.18
25	13.42	13.50	14.50	13.73	14.03	14.34	14.34	14.03	14.34
26	13.60	13.71	14.69	13.89	14.19	14.50	14.50	14.19	14.50
27	13.79	13.92	14.87	13.99	14.29	14.60	14.60	14.29	14.60
28	13.99	14.14	15.07	14.17	14.46	14.79	14.79	14.46	14.79
29	14.22	14.39	15.29	14.49	14.76	15.07	15.07	14.76	15.07
30	14.45	14.66	15.53	14.82	15.06	15.35	15.35	15.06	15.35
31	14.69	14.94	15.76	15.15	15.37	15.64	15.64	15.37	15.64
32	14.87	15.16	15.95	15.51	15.63	15.82	15.82	15.63	15.82
33	15.07	15.40	16.14	15.87	15.91	16.01	16.01	15.91	16.01
34	15.29	15.68	16.35	16.23	16.11	16.26	16.26	16.11	16.26
35	15.52	15.94	16.56	16.60	16.30	16.50	16.50	16.30	16.50
36	15.77	16.20	16.78	16.95	16.53	16.78	16.78	16.53	16.78
37	16.03	16.48	17.01	17.30	16.80	17.01	17.01	16.80	17.01
38	16.30	16.77	17.24	17.65	17.07	17.24	17.24	17.07	17.24
39	16.58	17.07	17.48	18.00	17.38	17.48	17.48	17.38	17.48
40	16.87	17.38	17.70	18.34	17.68	17.68	17.68	17.68	17.68
41	17.17	17.70	18.00	18.68	17.98	17.98	17.98	17.98	17.98
42	17.48	18.00	18.34	19.02	18.28	18.28	18.28	18.28	18.28
43	17.80	18.34	18.68	19.36	18.58	18.58	18.58	18.58	18.58
44	18.13	18.68	19.02	19.70	18.88	18.88	18.88	18.88	18.88
45	18.47	19.02	19.36	20.04	19.18	19.18	19.18	19.18	19.18
46	18.82	19.36	19.70	20.38	19.48	19.48	19.48	19.48	19.48
47	19.17	19.70	20.04	20.72	19.78	19.78	19.78	19.78	19.78
48	19.53	20.04	20.38	21.06	20.08	20.08	20.08	20.08	20.08
49	19.90	20.38	20.72	21.40	20.38	20.38	20.38	20.38	20.38
50	20.28	20.72	21.06	21.74	20.68	20.68	20.68	20.68	20.68
51	20.67	21.06	21.40	22.08	20.98	20.98	20.98	20.98	20.98
52	21.07	21.40	21.74	22.42	21.28	21.28	21.28	21.28	21.28
53	21.48	21.74	22.08	22.76	21.58	21.58	21.58	21.58	21.58
54	21.90	22.08	22.42	23.10	21.88	21.88	21.88	21.88	21.88
55	22.33	22.42	22.76	23.44	22.18	22.18	22.18	22.18	22.18
56	22.77	22.76	23.10	23.78	22.48	22.48	22.48	22.48	22.48
57	23.22	23.10	23.44	24.12	22.78	22.78	22.78	22.78	22.78
58	23.68	23.44	23.78	24.46	23.08	23.08	23.08	23.08	23.08
59	24.15	23.78	24.12	24.80	23.38	23.38	23.38	23.38	23.38
60	24.63	24.12	24.46	25.14	23.68	23.68	23.68	23.68	23.68
61	25.12	24.46	24.80	25.48	23.98	23.98	23.98	23.98	23.98
62	25.62	24.80	25.14	25.82	24.28	24.28	24.28	24.28	24.28
63	26.13	25.14	25.48	26.16	24.58	24.58	24.58	24.58	24.58
64	26.65	25.48	25.82	26.50	24.88	24.88	24.88	24.88	24.88
65	27.18	25.82	26.16	26.84	25.18	25.18	25.18	25.18	25.18
66	27.72	26.16	26.50	27.18	25.48	25.48	25.48	25.48	25.48
67	28.27	26.50	26.84	27.52	25.78	25.78	25.78	25.78	25.78
68	28.83	26.84	27.18	27.86	26.08	26.08	26.08	26.08	26.08
69	29.40	27.18	27.52	28.20	26.38	26.38	26.38	26.38	26.38
70	30.00	27.52	27.86	28.54	26.68	26.68	26.68	26.68	26.68

Reliance Life Dividend Scale on New and Old Forms

Illustrative first year dividends on rates adopted April 1, 1944, by Reliance

Life are shown below with the current participating premium rates:

Age	Pd.-Up at 85	20 Pay. Life	End. at 65
20	\$18.52	\$2.02	\$29.32
21	18.92	2.06	30.26
22	19.32	2.09	30.69
23	19.76	2.13	31.16
24	20.20	2.15	31.63
25	20.68	2.19	32.12
26	21.17	2.22	32.63
27	21.69	2.26	33.17
28	22.22	2.29	33.71
29	22.80	2.33	34.28
30	23.40	2.38	34.88
31	24.02	2.40	35.49
32	24.70	2.46	36.13
33	25.40	2.51	36.80
34	26.13	2.55	37.49
35	26.91	2.60	38.22
36	27.78	2.69	38.98
37	28.71	2.78	39.78
38	29.68	2.89	40.61
39	30.69	2.96	41.46
40	31.78	3.07	42.38
41	32.93	3.17	43.35
42	34.14	3.28	44.35
43	35.41	3.37	45.41
44	36.77	3.49	46.54
45	38.22	3.60	47.73
46	39.76	3.74	48.99
47	41.38	3.84	50.32
48	43.12	3.99	51.75
49	44.97	4.12	53.26
50	46.94	4.28	54.87
51	48.95	4.44	56.69
52	51.00	4.68	58.61
53	53.18	4.91	60.65
54	55.49	5.15	62.81
55	57.93	5.40	65.09
56	60.50	5.66	67.49
57	63.20	5.93	69.99
58	66.03	6.21	72.61
59	69.00	6.50	75.35
60	72.10	6.80	78.21
61	75.33	7.11	81.19
62	78.69	7.43	84.29
63	82.18	7.76	87.51
64	85.80	8.10	90.85
65	89.55	8.45	94.31

On old 3½% business still in force, the same scale will be payable as was used in 1943 and 1944. A slight decrease was put in effect on 3% business issued between Feb. 1, 1942, and March 31, 1944. These premiums and first, second and third dividends (designated 1, 2 and 3) are:

Endowment Age 85									
Ages	15	25	35	40	45	55			
Prem.	11.36	20.22	26.49	31.14	37.36	57.62			
1	1.56	1.33	2.26	2.55	2.91	3.77			
2	1.81	2.07	2.50	2.79	3.14	3.94			
3	2.05	2.32	2.73	3.02	3.36	4.13			
20 Payment Life									
Prem.	25.90	30.12	36.22	40.38	45.73	62.69			
1	.95	1.15	1.50	1.78	2.16	3.27			
2	1.18	1.38	1.73	2.01	2.38	3.38			
3	1.42	1.61	1.95	2.23	2.59	3.57			
Endowment Age 65									
Prem.	18.64	24.16	33.95	42.03	54.22	113.75			
1	1.44	1.71	2.13	2.49	2.96	3.47			
2	1.68	1.94	2.36	2.72	3.17	3.61			
3	1.92	2.18	2.59	2.94	3.38	3.76			

Great Southern Life Broadens Scope of Its Settlement Options

Great Southern Life has broadened the scope of settlement options that may be included in all of its policy contracts. Funds may now be left with the company for a period not exceeding 10 years, or during a beneficiary's minority, whichever is longer. Interest at the rate of 2½% compounded annually will be allowed and it may be accumulated and added to the principal. At the end of the specified time the entire fund, if not paid in a lump sum, must be disbursed in accordance with the regular settlement options No. 1, 2 or 3. This means that when Great Southern commences to pay out the accumulated funds the maximum number of monthly installments either under option 1 or option 3, will be limited to 240.

These limitations are fair and reasonable, Great Southern states. Some policyholders are inclined to use settlement options solely for the purpose of accumulating an estate without any real re-

WANTED

Group life and casualty claim man for Home Office of large middle western company. Excellent opportunity. Please give details of education and business experience, salary expected and date when available. Replies held in confidence. Address A-96, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

gard for the orderly disbursement of the funds within a reasonable time.

Great Southern states that its experience has been that where the beneficiary has the privilege of leaving a portion of the proceeds with the company subject to demand withdrawals, these funds are withdrawn rather rapidly. If the insured during his lifetime requests that the beneficiary be given this privilege, it will allow a guaranteed rate of interest of 2%. To avoid frequent withdrawals of small amounts it is provided that the principal sum may be withdrawn in whole or in part at will but each withdrawal shall be for not less than 10% of the original sum and whenever the sum left on deposit is reduced to \$500, the entire balance must be withdrawn in a lump sum. No interest will be allowed on any amount held on deposit for a period less than three months.

Limitation of 10 Years

In no event will Great Southern allow the funds to remain on deposit for a period in excess of 10 years.

Great Southern will now allow the beneficiary to select any mode of settlement in the policy within 30 days from the time the company is ready to pay the claim, if the insured has made a request during his lifetime for the beneficiary to have such privilege. Great Southern remarks that occasionally a policyholder with confidence in the ability of the beneficiary to make a wise selection desires that the beneficiary be allowed to make the selection.

Great Southern urges its agents to make the program simple and straightforward. Do not name too many contingent beneficiaries. Don't try to make the program a last will and testament. Don't try to make the settlement options perform the duties properly belonging to a trust company. Do not use double indemnity benefits as an integral part of an insurance program.

N. Y. Life Continues Scale

New York Life is continuing for 1945 the illustrative scale of dividends applicable in 1944, on policies issued without disability or double indemnity, on the 2½% reserve basis.

Iowa Premium Tax Decision

DES MOINES—The Iowa supreme court has upheld the district court interpretation of refund rights in a case involving state premium taxes paid by Lincoln National Life on Royal Union Life and Iowa Life reinsured business. An earlier decision had settled the

question of validity of the premium taxes and the only question involved was the right of refund. The court held the three-year statute of limitations was valid but that the five-year statute was not.

As a result the insurance department retains about \$52,000 on taxes collected in 1934-7 but was ordered to refund \$32,000 collected in 1938-9.

Again Try for Insurance Premium Income Tax Credit

WASHINGTON—The proposal to allow deduction of life premiums on income tax returns is revived in H.R. 645 introduced by Rep. Wickersham. It provides that, in the case of an individual, premiums paid by the taxpayer on policies upon his own, his spouse's or dependents' lives may be deducted from gross income to an amount which in any taxable year does not exceed 10% of the taxpayer's net income without benefit of specified subsections in section 23, internal revenue code, or \$1,000, whichever is the lesser.

Again, Senator Thomas, Oklahoma, offered S.183 to authorize the carrying of government obligations owned by insurance companies at par value.

McKittrick Didn't Get It

Insurance people breathed a sigh of relief at the news that Governor Donnelly of Missouri had appointed Frank T. Briggs of Macon as United States senator to serve the unexpired two-year term of Vice-president-elect Truman. It had been feared that Roy McKittrick, outgoing attorney-general of Missouri and defeated candidate for U. S. senator in the November election, might get the nod. He has a pronounced anti-insurance bias and is credited with being responsible for U. S. Attorney General Biddle initiating the S.E.U.A. case.

Cashiers Get Insured's Slant

C. G. Sedan, manager of the Detroit convention and tourist bureau, will address the Detroit-Windsor Life Agency Cashiers Association Jan. 25, presenting a policyholder's view of the service given by agency cashiers and their staffs. This will be the first of a series of four talks arranged by Program Chairman Vic Wilson on understanding the policyholder, the agent, the home office and the agency personnel.

MUTUAL TRUST LIFE INSURANCE COMPANY

HOME OFFICE
CHICAGO

FIELD BUILDING
ILLINOIS

"As Faithful as Old Faithful"

Extra-Territorial Issue Is Argued

(CONTINUED FROM PAGE 2)

tested Wisconsin seeking to "project" itself and its interest and control over insurance across state lines.

"Can't you generalize and say this is a measure for security of Wisconsin members," asked Justice Frankfurter after the luncheon recess. "I don't think so," Mr. Sears replied.

Chief Justice Stone asked whether the commerce clause question was raised in the court below. Counsel replied it had not been; the S.E.U.A. decision did not come until later. Justice Black later dwelt upon the same question. The court was told that the company made this point at the earliest opportunity.

"Wisconsin insists upon applying its definition of premium to the whole country," said Mr. Sears. "If Wisconsin can do that every other state can do it. If they can do it as regards premium, they can do it with respect to reserves and other factors in the insurance business. We will have more of the retaliatory laws such as the court's attention has been called to."

When counsel was arguing about full faith and credit to other states, Justice Rutledge suggested full faith and credit should be given to Wisconsin. He suggested the company argument was inconsistent, referring to several points made in the appeal.

"You don't have to be consistent," remarked Stone. "If you can't get one you will take another." Counsel agreed in substance.

When Justice Reed "supposed" there were 48 different rules on the point raised, Sears said companies would have to comply with them, limiting their business. He declared the Wisconsin doctrine has "sinister" implications; that people "could not purchase our lower-priced insurance." If the doctrine stands, Mr. Sears said, "you are only going to permit interstate commerce to be transacted in states where the rules are substantially identical."

Attorney General Martin, in presenting the case for his state, said the company appeal was based on "two vital misapprehensions." He declared his state only requires information about membership fees, etc., in other states to be shown in the company report.

Justice Douglas wanted to know whether the company could have a set of books for Wisconsin. Frankfurter questioned Martin in some detail about the procedure and finally suggested that "just bookkeeping" is required by Wisconsin.

Justice Jackson suggested it was a matter of requiring liability to be shown. "There is no earmarking?" asked Reed.

"No," said Martin. "They must show liability. They don't admit it is liability. This is a pure proposition of requiring them to reflect actual liability. It is nothing but an entry."

"If they show this on the books they can spend it the next day," remarked

Stone, raising the question how it proved solvency.

Martin said he did not think there is any burden on interstate commerce involved. Frankfurter appeared to suggest by a question that the interstate commerce issue might not apply to a case prior to the S.E.U.A. decision.

The brief of Commissioner Duell that had been submitted previously argues that a solvency standard that provides a test based on things that occur only in Wisconsin is wholly valueless. If Wisconsin can measure solvency by occurrences within the state, the brief asks, then why can it not do so by taking into consideration those factors wherever they take place which are necessary to determine financial condition? It might be that upon the basis of transactions in Wisconsin the company would be operating soundly but at the same time transactions elsewhere might be unprofitable and so unsound financially that when its affairs are taken as a whole it would be in unsound financial condition. Computation of the premium reserve on the basis of the entire consideration paid by policyholders everywhere, the brief states, is the only possible way for truly testing financial condition.

State Farm's contention, according to the state brief, is based on the erroneous proposition that the reserve is required only to reflect liability for return of premiums upon future cancellation. The requirement is simply a test of solvency that Wisconsin believes is necessary. The requirement operates towards assuring adequate general assets to which Wisconsin policyholders will have to resort in the event of liquidation or assertion of damage claims against the company on their policies. It has a bearing on the company maintaining sufficient assets generally so as to carry out the policies to expiration.

To say that the state may not treat life membership fees as premium for the purpose of computation of reserves in testing financial soundness and stability would deny to the state the right fully to exercise its police power in respect to solvency. To deny the state such power would be to deny its power to act as a sovereign within its borders in a field that is proper for it to exercise such power. It would be equivalent to saying that Wisconsin cannot protect its own people but must permit other states and insurers to establish and fix its standards of soundness and solvency which it must accept whether it wants to or not.

Finds Agents Desire Regimentation

(CONTINUED FROM PAGE 1)

basis with their company. "As a committee, we didn't make much noise and

we didn't get much credit for compensation changes going on in the industry, but it was a worth while effort and we who were privileged to work with that group were amply repaid for our efforts," he asserted.

The new concept modifies the old process of business thinking, both in the home office and in the field. The day will come when companies will stop bragging about their increase in new production or their total volume of new business and will interpret their progress in earnings of men and quality of workmanship.

The general agency system in its purest sense will be modified. The combined experience and wisdom of a company's field force must be crystallized in a powerful home office agency department that will thoughtfully direct the procedure in securing new business and servicing that business in the field. There are characteristics of the system that will undoubtedly endure and the branch office system is not necessarily a cure in itself. However, the plan of giving a man a franchise and complete freedom to recruit men and run a sales operation completely on his own initiative denies the benefits of total company plans.

In designing a new compensation contract, the compensation committee tried to set it up so that the agent would have a financial interest in developing a new perspective. "Once we had a buyer; now we have a client. In years gone by, the emphasis has been on how much business we produced. More and more, broad company emphasis will be on the character of the business and how intelligently it is merchandised," Mr. Haviland stated.

The responsibility of the management committee is to find out what principles are involved in running the extremely successful agencies of today and how those principles can be broadly applied and stated in simple English for the greater good of the industry as a whole.

Mr. Haviland said all would agree that there have been four eras in life insurance merchandising: Policy selling, needs selling, simple programming, and client service. Each era has developed some new elements of more thoughtful counsel to the prospect by an agent who has become a little more proficient in serving the public. From a pure commission interest to the sincere service philosophy of today has been a far advance.

Examining the compensation committee's recommended contract as a reflection of that evolution, Mr. Haviland said that instead of men buying policies from eight different life insurance agents, they will tend to select the clientele building type of agent and stay with him. As the agent digs more deeply into the problems of his clients, he will expand their area as prospectors for his new business. Insurance on children, business insurance, group insurance and accident insurance will all be developed in larger measure around the appreciative center who is the satisfied client. The job of prospecting is cut down. This is a logical trend and a very healthy indication of the increasing stature the agent will have in the eyes of the public in the future and the respect that the agency system will enjoy.

The committee recommended a reduction of the first year commission from 50% to 40% with a feeling that probably eventually it should be even less, he said. It recommended 15% the second year and 10% the third year, instead of two fives. At this point, the agent begins to receive an increasing profit for living close to his client in the second and third year while he is developing good premium-paying habits and while he is learning to appreciate the value of the estate he has created. With the accumulation of the 2% permanent service payment after the third or fourth year for the lifetime of the contract, it will very vividly demonstrate to the agent the value of his clientele and the need of continuing to keep close to it, he said.

It will require long-range thinking to

Women Buyers Not Female "Sad Sacks" Miss Barber Says

Much life insurance advertising addressed to women mistakenly supposes that the prospective purchaser is worried about the future and is thinking of "taking the veil," according to Mary F. Barber, assistant to the president of Penn Mutual Life, who addressed a meeting of the Keystone group of the Life Advertisers Association.

The advertising copywriter is inclined to picture the business or professional girl as a sort of female "Sad Sack" who spends all her spare time worrying about dependent old age. Actually the purchasers are successful business women or smart young girls who have good positions but whose eyes are fixed on marriage.

Many young women are buying insurance "as a means of saving in order to play their part in the partnership when they eventually marry." They realize that insurance is important on the wife of a man who has the responsibility of taking care of a family.

Miss Barber pointed out that women now constitute about one-third of the buyers. "If by some government ruling an agent were deprived of a third of his prospects," she remarked, "we'd hear some high vocal complaints, yet this is what is happening when he neglects the women's market."

Norton Branch Well Ahead

The Philadelphia branch of New York Life under the management of Paul A. Norton, agency director, held its opening sales meeting of the year. Eighty agents were in attendance, and Don Parker, superintendent of agencies, spoke of the new plans for 1945. Various agents were assigned subjects with which they were particularly familiar.

Ernest Bennett was presented with an award as the man of the year in the agency for all around work.

This is Mr. Norton's first year in charge at Philadelphia. He reports a 20% gain with approximately \$1 million of business from the new men.

give the millions of young men returning home from military service, imbued with a new respect for life insurance, trained to follow good leadership, used to discipline and ready to fight for their place in the business world, the service they will require, advise them honestly, and wait for compensation for this work.

The returning service men are the future leaders of business and industry and their respect for the agency system will be determined by the foresight with which they are assisted, insurance-wise, in getting geared to civil life. They will be a tremendous new life insurance market as they find themselves, but whether or not the agency system endures will depend in large measure on how agents treat them in the early postwar years.

The efficient agent will have a big year in 1945 with more marriages than in any year in history, more babies born and immense per capita income. It could be easy to lose sight of the job of preparing for the assimilation of thousands of new agents whenever they come home.

Several new implications come with the service philosophy: Men must be better selected and lower first year commissions mean greater financing responsibility as men are given an adequate period to prove themselves. It has been learned, he said, that lecturing is not teaching and that to train "we must know how and show how under sympathetic but firm disciplined leadership."

There is still time to learn to be better teachers and more skillful leaders to meet the test that must be faced. Management is going to be fun with a force of men who are working for clients who are working for them, Mr. Haviland declared.

PLAN TODAY for your PRODUCTION and HOME OF TOMORROW with a RENEWAL COMMISSION LOAN

3 to 5 years
or longer maturities

LIFE UNDERWRITERS CREDIT CORPORATION
MINNEAPOLIS 2, MINNESOTA

Officials Come to New Accord

(CONTINUED FROM PAGE 1)

will make possible Congressional action early in February.

"A Congressional declaration that the taxation of insurance is to be left to the several states will be reassuring to those companies which, without such assurance, would be under the necessity of protesting tax payments to many of the states because of the recognized differences in tax treatment between domestic and foreign companies. States having Feb. 1 tax payments due are North Carolina, South Carolina, Tennessee and Kentucky."

Many Signatures

The substitute was submitted to the Senate judiciary committee with an accompanying letter signed by representatives of all industry groups participating in the Statler Hotel conferences here.

The letter was signed: American Life Convention, by Robert L. Hogg; American Mutual Alliance, A. V. Gruhn; Association of Casualty & Surety Executives, Ray Murphy; Inland Marine Underwriters Association, J. V. Herd; National Association of Insurance Agents, W. Ray Thomas; National Association of Mutual Insurance Agents, Philip L. Baldwin; Edward L. Williams on behalf of National Board of Fire Underwriters and Insurance Executives Association; National Association of Insurance Brokers, Harry E. Moore; National Association of Casualty & Surety Agents, John E. O'Neil.

The text of the bill is:

"To express the intent of the Congress with reference to the regulation of the business of insurance.

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

"That the Congress hereby declares that the continued regulation and taxation by the several states of the business of insurance is in the public interest, and that silence on the part of the Congress shall not be construed to impose any barrier to the regulation or taxation of such business by the several states.

"Sec. 2 (A) The business of insurance, and every person engaged therein shall be subject to the laws of the several states, which relate to the regulation or taxation of such business.

"(B) No act of Congress shall be construed to invalidate, impair or supersede any law enacted by any state for the purpose of regulating the business of insurance, or which imposes a fee or tax upon such business, unless such act specifically so provides.

"Sec. 3. Nothing contained in the act of Sept. 26, 1914, known as the federal trade commission act, as amended, or the act of June 19, 1936, known as the Robinson-Patman anti-discrimination act, shall apply to the business of insurance or to acts in the conduct of that business.

"Sec. 4. (A) For the purpose of enabling adjustments to be made and legislation to be adopted by the several states and Congress, until June 1, 1947, the act of July 2, 1890, as amended, known as the Sherman act, shall not apply to the business of insurance, or to acts in the conduct of such business and until Jan. 1, 1948, the act of Oct. 15, 1914, as amended, known as the Clayton act, shall not apply to such business or to acts in the conduct thereof.

"(B) Nothing contained in this section shall render the said Sherman act inapplicable to any act of boycott, coercion or intimidation.

"Sec. 5. Nothing contained in this act shall be construed to affect in any manner the application to the business of insurance of the act of July 5, 1935, as amended, known as the national labor relations act, or the act of June 25, 1938, as amended, known as the fair labor standards act of 1938.

"Sec. 6. As used in this act, the term

an unknown date in 1845 and after a very short time was moved to Chicago. Mr. Fowler has no record of the founder's name, nor, it appears, does the company. Nor, indeed, of the second general agent. Along about 1886 Charles B. Cleveland became general agent. He held the post for 40 years and retired when Mr. Fowler took over.

Mr. Fowler, who was born in Hartford, started there as office boy with Hartford Life in 1889, at the wage of precisely \$200 a year, paid at the rate of \$16.67 monthly for two months, then \$16.66 the third month of each quarter. He sought to prepare himself for Yale but had to abandon that plan. He answered a newspaper advertisement and became a clerk of Connecticut General Life; after six years being its agent for four years; then an executive special agent and later general agent at Bridgeport, and later at Buffalo.

In 1906, Mr. Fowler was named superintendent of agencies of State Mutual Life, retaining that post until the move to Chicago in 1916. Thus he has had a greatly diversified experience.

At the annual agency dinner last week Mr. Fowler reported the remarkable record in 1944 of increasing insurance in force in the agency by 75% of the year's paid new business. Only face amount of ordinary business is counted in the Fowler agency. On that basis in Mr. Fowler's 28 years in Chicago he has increased the volume in force over four times and the premium income by five times.

Ask Health Cabinet Post

WASHINGTON—Establishment of a department of national health with a cabinet head is proposed in HR391, by Representative Miller, Nebraska. In the department would be centralized all federal government activities related to health.

The American Medical Association has recommended a national health department as an alternative to national health insurance schemes and socialized medicine.

'state' includes the several states, Alaska, Hawaii, Puerto Rico, and the District of Columbia.

"Sec. 7. If any provision of this act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of the act, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected."

Meanwhile Rep. Walter has reintroduced the bill to give outright exemption to insurance from the anti-trust laws, with the additional provision that nothing contained in the Sherman or Clayton acts shall be construed in any wise to impair insurance regulation by the several states.

It contains this preamble:

"Whereas prior and subsequent to the acts of July 2, 1890, and Oct. 15, 1914, the business of insurance was and has been, and is now, regulated by the several states; and

"Whereas as a matter of local concern, the several states, respectively, each as it deems for the best interest of its citizens, do regulate all acts of insurance companies performed within their respective borders; and

"Whereas it has not been, nor is it now, the intent or the desire of the Congress to invade the rights of the states or to assume to itself functions which have long been accepted as best performed by the states; and

"Whereas there is now no need, through a federal bureau or otherwise, for the Congress to displace or encumber the regulation by the states of the business of insurance and

"Whereas it has not been, nor is it now, the intent of the Congress that the acts of July 2, 1890, and Oct. 15, 1914, as amended, be construed as applying to the business of insurance or as impairing the regulation of that business by the states; and

"Whereas it is in the public interest that Congress affirm its intent and desire to safeguard the states in the regulation of the business of insurance."

Legislation to implement the Supreme Court decision in the S.E.U.A. case was advocated Monday by Attorney General Biddle in what was described as his regular, customary appearance before the Senate judiciary committee at the

beginning of a Congressional session.

Mr. Biddle discussed the O'Mahoney bill. While committee sources would not say he recommended that measure specifically, it is reported he indicated that if the measure is enacted into law he will be disposed to drop the criminal proceeding against S.E.U.A.

In that event Senators said, he would institute civil proceedings by filing a bill in equity seeking an injunction against practices complained of in the Atlanta suit.

Indications at the judiciary committee were that insurance legislation may be referred to a special subcommittee for consideration and possibly hearings.

The industry compromise was submitted to Senator McCarran, judiciary committee chairman. It was not submitted to the House judiciary committee, however. It was discussed at the Senate judiciary committee meeting when Biddle appeared Monday. The substitute does not satisfy Biddle, however, it is learned. He prefers the O'Mahoney bill.

Asked for his reaction to the compromise substitute, McCarran said:

"If the industry is all for it, it is all right with me."

McCarran added he has not formally introduced the substitute and indicated he does not at present contemplate doing so.

After issuing the statement announcing the compromise agreement commissioners Johnston and Harrington left Washington, as some other conferees had previously done.

The compromise is the result of what conferees described as the hardest fight imaginable. One moment everybody would be lined up for a certain proposal, according to report; the next minute it would be "out the window".

Eventually, a sub committee was named to try to work out something. It consisted of Ray Murphy, Association of Casualty & Surety Executives; Robert L. Hogg, American Life Convention; A. V. Gruhn, American Mutual Alliance; J. V. Herd, America Fore.

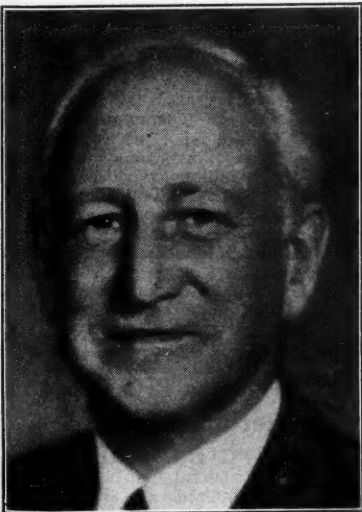
The sub committee conferred and negotiated with representatives of the various groups and reported back to the commissioners.

Mr. Herd is given credit for the success of compromise efforts.

Last Friday at the conference, according to report, everybody present pledged

Fowler Agency of Chicago Turns 100-Year Mark

The Edgar C. Fowler general agency of New England Mutual Life in Chicago will be 100 years old sometime



EDGAR C. FOWLER

this year—only 28 years under Mr. Fowler's management. Mr. Fowler, who is 72, is rounding out April 8 his 56th year in the life insurance business. Some festivities in celebration of the centennial and the personal anniversary will be held.

Three other general agents handled the agency before Mr. Fowler. The agency was formed at Rockford, Ill., at

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If you are experienced and successful in the field of personal production and are interested in building, through direct contract, your own General Agency, send for a copy of our "Field Features."

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J. DeWitt Mills, Supt. of Agents

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MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY

Life Insurance Company

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The COLUMBIAN NATIONAL

LIFE Insurance Company

BOSTON, MASSACHUSETTS

A Special Life Insurance plan for business men — The Columbian National's "Puritan", a preferred Risk whole life contract.

A NEW ENGLAND INSTITUTION

himself not to disclose details of the meeting or discuss the program for publication for one week ending Jan. 19, unless meanwhile released by the commissioners.

In response to question as to the attitude of the Life Insurance Association of America respecting federal legislation, President Leroy A. Lincoln of Metropolitan Life, chairman of the special L. I. A. committee said that his group had at no time opposed but on the contrary had endorsed legislation suggested by the insurance commissioners last fall or any changes not inconsistent with the basic principles thereof. He said that he had joined in a written statement to that effect dated Dec. 5, 1944 and that subsequent developments had in no wise changed the attitude of his committee.

Mr. Lincoln stated that the position which his committee and the association has consistently maintained throughout the whole discussion is in accord with the position taken by President Roosevelt in his letter of Jan. 2, to Senator Radcliffe and that any legislation on the subject which is of this general character to take a phrase from President Roosevelt's letter will have the support of the association. Mr. Lincoln particularly emphasized the urgent necessity that some such legislation should be enacted at the earliest possible moment.

Cleveland Group Assails Employee Status Advocates

(CONTINUED FROM PAGE 2)

to "follow the example of the industrial companies that are big and have thousands of agents and reach practically everybody and have no problems at all."

The statement analyzes various criticisms that are made of the independent agency system including the fact that supervision and discipline is lacking in the independent agency system. The statement declares that the capable agency head can exercise all the necessary control under the independent system and his agents are anxious to have guidance and counsel from him, "if he knows his stuff." On the other hand, the agency head who does not have the respect of his men or does not know how to train them will be in no better position paying salaries than he will paying commissions. In the industrial companies the offices are successful to the extent that the managers are good and if the managers are not good the offices are not successful even though they are supposed to have complete control. The Cleveland statement expresses the belief that industrial companies have had better methods for selecting and developing managers and

in this direction some ordinary companies have much to learn from them.

Good for Large Producer

Another criticism of the independent contractor system is that independent status is good only for the professional type large producer, that there are only a few of these and they do not reach the middle and lower income groups and will not solve the problem of doubling or trebling life insurance sales in the near future. The independent system, according to this criticism, gets but cannot hold many good men who could succeed with control but cannot succeed without it. It gets but cannot eliminate too many of the marginal or unfit.

The Cleveland group denies the validity of these criticisms, moreover suggests doubt whether it is wise or safe for any life insurance company to try to double or treble sales in the near future. The recent survey in Cleveland showed that out of 143 ordinary agents in the city with five years of experience or more, 107 are neither the very large producers nor the failures. They are the rank and file and they do most of their work with the middle though not with the lowest income groups. The statement declares that a medically selective ordinary business cannot be done at any allowable expense or mortality in the low income groups. That is why industrial insurance was started.

Salary Not Justified

The ordinary policyholders, according to the statement, can't possibly need or get services which would justify any sort of salary to the agent. There are no weekly collections to make, there is little or no record keeping for the agent to be paid for and there is not the same need for continual and intensive prevention of lapse. These duties account for well over half the average compensation of industrial agents.

That leaves options and beneficiaries as the services which it is claimed the ordinary agent should be compelled to render orphan policyholders for which he should be paid a salary. The fact is that every successful ordinary agent is eager to give this service without any salary. It is one of the best and most widely used ways of getting business. If the agent should be paid a salary for doing this and if the public should find it out one of the best selling tools that the agent has would be lost.

Increasing the Cost

If there is little or no need for these services to ordinary policyholders but a salary is paid for them anyhow, the cost to all ordinary policyholders will be increased unless so much more insurance would be sold that somehow the extra expenses would disappear "or unless you cut the ordinary agent's commissions and take away his renewals, and that is exactly what the proponents of this new order propose to do."

Advocates of the change propose to

get the money for salaries from the renewals of established agents as well as new agents. This would be a return to the old abuse of forfeiting renewals to the general agent which was responsible for the induction of poor quality agents. The renewals would be used to relieve the general agent or the company of risk in financing new agents. This risk, according to the statement, is what checks careless selection.

The Cleveland group suggests that the solution is to increase the commissions of the new agent during his first and perhaps second year with monthly or quarterly limits on the amount of business so to be treated and without impairing the independence or the renewals of the established agent. The smaller agencies could then afford to recruit more men.

Advocates of the employee status claim that a life insurance job as an employee with some sort of permanent salary will attract and hold more and better agents. The Cleveland people say that there has been a great improvement in recent years without impairing independence and the problem is being solved. As long as general agency and managerial appointments "are handed out to relatives, friends or proteges of home office officials or to adroit intriguers or even to star salesmen with no talent for

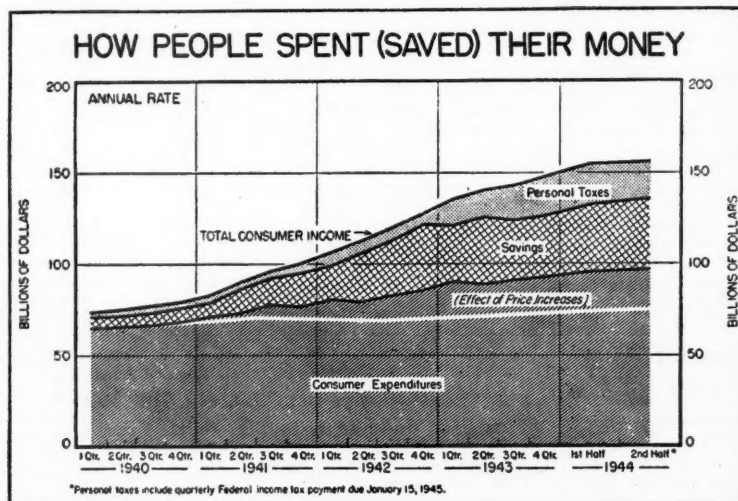
managing, the faults will stay right with us." But that, according to the statement, is not to be blamed on the agent.

A very large proportion of young people are looking for work that provides independence. They are the self starters and it is better to cultivate that type of man than the "clinging vine" that wants to get on a payroll.

As employees agents would be fair game for a union and once organized with a bargaining agent to set the rules, the statement asks, "what becomes of independence? Will the union steward allow agency head or company to fire an incompetent agent? How hard will the union allow the agents to work? What, if any, 'incentive commission' will the union permit?" The Cleveland people recommend that the individual ordinary agent tell his agency manager and company that he is opposed to being placed on an employee basis; that social security is not wanted under the present law which covers only employees and should be avoided until all other professional and self employed classes come under the law.

The Cleveland people also recommend that agents advisory councils be set up in the local associations so that the field men can make themselves heard on questions like this.

U. S. Income in 1944 Was \$155,300,000,000



In his first report to the President, the Senate and the House, Jan. 1, James F. Byrnes, director of war mobilization and reconversion, details national income and spending. The above illustration embodies the main features of Mr. Byrnes' report on this phase.

Of the \$79 billion increase in individual income receipts in 1944 as compared with 1941, Mr. Byrnes reported, \$47,700,000,000 was syphoned off as follows: \$16,700,000,000 in taxes, which rose from \$3,300,000,000 to an estimated \$20 billion; \$15,500,000,000 in war bond purchases, which rose from \$500 million to \$16 billion; \$15,500,000,000 in other

savings which rose from \$7,300,000,000 to \$22,800,000,000. Individual income in 1944 totaled \$155,300,000,000.

In the four years 1941 through 1944, consumers have accumulated \$90 billion in savings, the report states. Some \$45 billion of war bonds have been bought, another \$45 billion have been stored up in bank deposits and in currency. The \$90 billion is superimposed on pre-Pearl Harbor cash assets of \$50 billion. While these holdings in part will remain a financial nest egg, in part they represent potential demand for new houses, automobiles, refrigerators, furniture and other consumer goods.

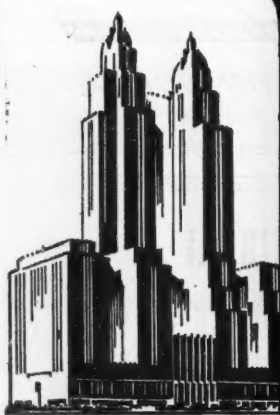
Move to Form Rushmore Life in Rapid City, S. D.

Articles of incorporation have been filed with the secretary of state for Rushmore Life of Rapid City, S. D. It is incorporated for a half million dollars, in 4,000 shares of class A, non-voting stock at \$100 per share, and 100 shares of Class L voting stock, at one hundred dollars a share. The incorporators include Carl M. Anderson, president, and Edwin Busfield, vice-president of Rushmore Mutual Life, which has been operating since 1938 and which a year ago had assets of \$60,114, surplus of \$40,000 and insurance in force \$410,000. Presumably the new stock company will re-insure Rushmore Mutual.

Agree to Use FHA Appraisal for Veterans' Loans

WASHINGTON—Veterans administration and federal housing administration have entered into agreement to utilize the latter's facilities for appraisal and reviewing purposes on certain loans made to veterans under section 505 of the GI bill. FHA will furnish VA with an appraisal summary report in connection with application for government guaranteed loan.

FHA will also furnish a "statement that the amount and types of proposed insurance coverage stated in the application conform to the regulation of the veterans administration."



Headquarters for Wartime Conferences

"Streamlined" conferences are welcomed at The Waldorf-Astoria. They are accorded the same diligent cooperation and staff assistance that made this hotel the convention center when occasions were more elaborate. Wartime regulations and restrictions are being obeyed, but there is no ceiling on friendliness.

THE WALDORF-ASTORIA

PARK AVENUE • 49TH TO 50TH • NEW YORK

LEGAL RESERVE FRATERALS

Convention Ban Is Problem to Societies

Fraternal life insurance societies appear to be caught between the upper and nether millstones as a result of the request of War Mobilization Director Byrnes to national organizations not to hold their conventions this year if more than 50 persons are to attend. The societies face an unusual situation which is probably not to be found among any other insurance groups.

It seems that all state insurance codes require that fraternal societies hold general meetings of the membership at least once every four years. The purpose of this requirement is beneficial to members. It is intended to maintain the democratic organization of the societies, assure representative government and invest the control permanently in the majority of members. It is reported these law provisions were voluntarily sought by fraternalists many years ago in pursuance of the principles to which they were devoted. Under the statutes legal action could be taken by any member or by insurance departments to restore control of a society to its members if the required general meeting were not called.

Would Exceed 50 Attendance

Most of the societies at their meetings have many more than 50 accredited delegates, for their elections are truly according to representative government, and each lodge is entitled to send at least one delegate.

Members of the laws committee of the National Fraternal Congress are considering the problem. It appears evident that to comply with Director Byrnes' demand it will be necessary to have the state laws amended so as to remove the mandatory requirement. To do so, however, might expose members to the risk of losing their vote.

W.O.W., Omaha, Increases Members, Insurance, Assets

Greatest growth in membership and insurance in force in 25 years was experienced in 1944 by Woodmen of the World Life, Omaha, President Farrar Newberry reported. Net membership gain was 8,639 members, insurance in force gained \$19,696,423 to the total of over \$395,000,000.

Net membership gain last year was more than double the 3,596 increase in 1943 and gain of insurance in force more than twice the previous year, or \$8,926,827 increase. Assets Jan. 1 exceeded \$146,000,000, increase \$5,000,000.

Texas net gain was 2,055 members and \$4,368,853 insurance in force, taking first place.

War bond investments in 1944 were \$6,709,000 and total to Dec. 31 over \$22,000,000. More than \$54,000,000 is invested in other federal, state, county and municipal bonds, with over half the as-

sets in such securities.

Certificate loans decreased \$608,031, being \$11,132,036.

C.S.O. 2 3/4% Premium Rates of A.O.U.W., North Dakota Are Announced

Premium rates for the new juvenile policies of A. O. U. W. of North Dakota, which are being written on the 2 3/4% C.S.O. table, were announced by W. E. Wright, secretary. Extra premiums for the mortgage redemption rider, which provides 10, 15 or 20 year term insurance that decreases as the mortgage is reduced, also are shown below.

The new juvenile term to age 16 contract is automatically converted at 16 to endowment at age 85. The maximum term policy that will be written on children under 16 is \$1,000.

The 10 year plan of mortgage redemption contract has initial insurance of \$782 per unit, the same as the 20 year plan that has been in force 10 years and 15 year plan in force five years. The 15 year plan has initial insurance of \$1,094 per unit and the 20 year plan initial amount of \$1,363. Premiums on the 10 year plan are payable for eight years; on the 15 year plan for 12 years; on the 20 year plan for 16 years. The premiums are calculated on the American men 3% table and include waiver of premium benefit.

Will Issue Non-medically

A.O.U.W. will issue the rider in amount up to \$5,474 in multiples of one-half unit, in connection with a \$1,000 or greater basis or principal policy. For amounts greater than \$6,474 the basis policy is increased. The rider is issued only on standard lives. However, the contract will be written non-medical with limit of \$3,188 initial insurance made up of 1 1/2 units of 20 year, two units of 15 year or 2 1/2 units of 10 year rider, less any A.O.U.W. non-medical insurance previously issued.

The society recommends adding health and accident insurance in amount to cover loan payments. The premium rates for the juvenile forms and the rider are:

Annual Premiums Per \$1,000 (JUVENILE C.S.O. 2 3/4%)									
20 Pay					20 Yr.				
Ages	E. 85	End. 65	End. 65	End. 18	Ages	E. 85	End. 65	End. 65	End. 18
0...	19.38	13.45	13.45	14.71	16	19.38	13.45	13.45	14.71
1...	19.38	13.45	13.45	14.71	17	19.38	13.45	13.45	14.71
2...	19.95	13.68	13.68	14.97	18	19.95	13.68	13.68	14.97
3...	20.52	13.91	13.91	15.23	19	20.52	13.91	13.91	15.23
4...	21.09	14.14	14.14	15.49	20	21.09	14.14	14.14	15.49
5...	21.66	14.37	14.37	15.75	21	21.66	14.37	14.37	15.75
6...	22.23	14.60	14.60	16.01	22	22.23	14.60	14.60	16.01
7...	22.80	14.83	14.83	16.27	23	22.80	14.83	14.83	16.27
8...	23.37	15.06	15.06	16.53	24	23.37	15.06	15.06	16.53
9...	23.94	15.29	15.29	16.79	25	23.94	15.29	15.29	16.79
10...	24.51	15.52	15.52	17.05	26	24.51	15.52	15.52	17.05
11...	25.08	15.75	15.75	17.31	27	25.08	15.75	15.75	17.31
12...	25.65	15.98	15.98	17.57	28	25.65	15.98	15.98	17.57
13...	26.22	16.21	16.21	17.83	29	26.22	16.21	16.21	17.83
14...	26.79	16.44	16.44	18.09	30	26.79	16.44	16.44	18.09
15...	27.36	16.67	16.67	18.35	31	27.36	16.67	16.67	18.35

Mortgage Redemption Rider									
10					15				
Ag. Yr.	Yr.	Yr.	Yr.	Yr.	Ag. Yr.	Yr.	Yr.	Yr.	Yr.
20	\$3.65	\$5.02	\$6.27	\$7.64	38	\$5.02	\$7.64	\$10.83	\$14.02
21	3.76	5.02	6.38	7.64	39	5.36	8.09	11.40	14.59
22	3.76	5.13	6.38	7.64	40	5.59	8.55	12.20	15.11
23	3.76	5.13	6.50	7.64	41	5.93	9.12	13.11	15.81
24	3.76	5.13	6.50	7.64	42	6.27	9.69	14.02	16.52
25	3.76	5.36	6.76	7.64	43	6.73	10.49	15.05	17.33
26	3.99	5.36	6.84	7.64	44	7.18	11.29	16.07	18.14
27	3.99	5.36	6.84	7.64	45	7.64	11.97	17.33	18.95
28	3.99	5.47	6.95	7.64	46	8.21	12.88	18.44	19.76
29	3.99	5.47	7.18	7.64	47	8.78	14.02	19.44	20.57
30	3.99	5.59	7.41	7.64	48	9.46	15.05	20.44	21.38
31	4.10	5.81	7.64	7.64	49	10.15	16.30	21.44	22.19
32	4.10	5.93	7.87	7.64	50	10.94	17.44	22.44	23.00
33	4.22	6.04	8.21	7.64	51	11.74	18.44	23.44	23.81
34	4.45	6.38	8.66	7.64	52	12.77	19.44	24.44	24.62
35	4.56	6.50	9.12	7.64	53	13.68	20.44	25.44	25.43
36	4.67	6.95	9.58	7.64	54	14.93	21.44	26.44	26.24
37	4.90	7.30	10.15	7.64	55	16.07	22.44	27.44	27.05

Wisconsin Congress Hears Fine Program Saturday

Walter C. Below, Fidelity Life president, who is vice-president of the National Fraternal Congress, will extend greetings at the annual meeting in Milwaukee Saturday of the Wisconsin Fraternal Congress. It will be held in the Catholic Family Protective home

office, 726 North Water street.

D. C. McDowell of Fidelity at Soldiers Grove is president. R. L. Blodgett of National Mutual Benefit at Madison, vice-president, likely will be elevated to president.

Other speakers scheduled are: T. O. Hertzberg, Fidelity Life sales manager, "Social Security through Fraternal Life Insurance"; A. L. Kirkpatrick, insurance editor Chicago "Journal of Commerce," "What Is This Thing Called Social Security?" W. I. O'Neill, Milwaukee attorney, "Inheritance Taxes"; J. A. Boyer, assistant superintendent of claims Northwestern Mutual Life, "Life Insurance in Action."

Field Managers Meeting at Chicago Feb. 20 Canceled

MINNEAPOLIS — The midwinter meeting of the Fraternal Field Managers Association scheduled for Feb. 20 in Chicago has been canceled, it was announced here by N. K. Neprud, Lutheran Brotherhood, the president. The executive committee, however, will hold a meeting Feb. 19.

Aid Association Chicago Rally

Alex. O. Benz, president of Aid Association for Lutherans, Appleton, Wis., presided at a regional meeting of field men held Saturday in Chicago. Following lunch there was an informal conference and then a dinner. Mr. Benz reported Aid Association new paid business in 1944 exceed \$30 million, with more than \$3 million increase. The insurance in force figure is close to \$270 million, and with the projected goal of \$40 million net increase for this year it is hoped the in-force figure will exceed \$300 million by Dec. 31.

A. O. U. W. of Washington Reports

Ancient Order of United Workmen of Washington admitted 1,461 new adult and junior members in 1944, and placed \$1,056,750 of insurance. Certificates in

force total 8,337, J. F. Fogarty, head of the society, reported.

General American Advances Its Mutualization Program

General American Life has now passed the 80% mark in its mutualization program with the decision at its annual meeting to retire an additional 4,723 shares of its stock at the agreed price of \$60 per share, which was set when the mutualization plan was originally formulated. This increases to 40,600 the number of the original 50,000 shares that have been retired.

President Walter W. Head reported net earnings from operations totaled \$2,666,625 for the year. New paid-for ordinary business gained 12.6% and the gain in ordinary first-year premiums was 29.7%. The number of master group contracts increased about 50% and first year group premium volume increased 40%. Insurance in force at the close of the year was \$748,270,741 and assets totaled \$139,892,224.

Sullivan General Agent of Mass. Mutual in Wichita

James M. Sullivan, district agent of Massachusetts Mutual at Springfield, Ill., has been named Wichita general agent, succeeding Morris D. McCready, who asked to be relieved to devote full time to personal production. Mr. Sullivan joined the company in 1919 and is a member of the Victory Club, highest production club. He qualified for the 1944 Illinois Round Table of the Illinois Association of Life Underwriters.

Commissioner Forbes has been elected chairman of the Michigan retirement fund board, succeeding Vernon J. Brown, former auditor general, who is now lieutenant governor and no longer a member of the board. The board administers the pension system for state employees.

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THE BOURSE PHILADELPHIA

Gives Attitude of Life Insurance Toward Aviation

(CONTINUED FROM PAGE 3)

life insurance companies. I think it is safe to say that no other business or avocation has received as much special study by life insurance interests as aviation, in an endeavor to give the fairest possible treatment. As far back as 1929 the Actuarial Society of America set up an aviation committee to study fatality statistics and attempt to differentiate properly between classes of pilots having greater and less degrees of risk. This committee has not contented itself with relying on such statistics as happened to be published but has taken the initiative in going to the appropriate government departments with requests for information and has built up a substantial volume of data. This is in addition to the committee for which I am writing, which has set itself up to handle all relations of life insurance and aviation other than statistical. The undersigned happens to be chairman of both committees.

Problem of Rating

The great difficulty with producing a premium rate which will impress both parties as fair is the problem of estimating how many hours a given applicant or class of applicants will average in a year. In the case of airline pilots this is not so much of a problem, as they all fly about the same amount, and about as much as it is reasonably possible to fly. (There are some other problems in connection with fixing a rate for them, in which I assume you are not particularly interested.) In the case of private pilots, however, the existing statistics are based on the record of pilots whose annual flying time is relatively low, perhaps not over 100 hours a year, while there are individuals in the class who fly a great deal more than that, and it is possible for almost any private pilot to fly a great deal more. A rate based on the average would be inadequate for an applicant who flies considerably more than the average. It is not unnatural for the pilots with the greater amounts of flying to be more receptive to the idea of purchasing life insurance so that the applicants we get are not a cross-section of private pilots but are on the high side, on the average, as regards annual flying time. The man who flies 400 hours a year may be just as well trained, may have just as good judgment, and his airplane may be just as well maintained as the average private pilot. He may even be better in some respects. Nevertheless, his total risk is several times greater than the average—perhaps not four times greater but still a good deal greater. If we can find some characteristics associated with low annual flying time or with other things which we know to produce a low fatality rate then we shall approach a good deal closer to the ideal of charging each pilot what he ought to pay. We have taken steps and have got the support of the National Aeronautic Association in doing so, to get the Civil Aeronautics Administration to assign more clerks to our statistics for this purpose. If your organization would care to add its endorsement to this request, I shall be glad to go into it further with you.

At present we have to be guided largely, in estimating future flying time, by the past record of the applicant, and that is not as good a guide as we should like, when the record is derived largely from war years when abnormal conditions influence the amount of flying.

Any suggestion you can offer will be appreciated. In the meantime I want to make the point that we (that is, the life insurance companies acting through the Actuarial Society) have done an enormous amount of work in an attempt to produce the proper premium rates for pilots, and a sufficient number of companies have acted on the information thus obtained to enable civilian pilots to obtain life insurance which contains full civilian aviation coverage.

Again I would suggest that these companies deserve your encouragement

rather than to ask for subsidized competition by the federal government. I would suggest that the businessmen in your membership would feel that if, for example, I felt that I did not have sufficient choice among light airplanes or that the price was not right, it is not a good solution for me to go to the federal government and urge them to take up the manufacture of airplanes and, moreover, sell them to me at the cost of the raw material.

I have written this at some length in the belief that you may not have been acquainted with the great amount of work which has been done in the matter of the relations of life insurance and aviation. It is written also to say that we are not complacent over the results but are increasing our efforts. I am hoping that this knowledge will modify the attitude of your organization and that you will work with us toward a solution that will be satisfactory to us both.

C. of C. Health Conference

(CONTINUED FROM PAGE 3)

insurance; W. A. Milliman, associate actuary Equitable Society, and E. A. van Steenwyk, Blue Cross.

It is reported that insurance participants favored private underwriting of health insurance; hospital service representatives preferred something like Blue Cross; medical men, including American Medical Association spokesmen, claimed advantages for private medical care programs and protested government health insurance, while public officials preferred the latter, either on a national or state basis.

The health insurance conference was followed on Friday by a meeting of the chamber committee on social security, a report from which is expected to be made to the chamber directors late this month.

Members of that committee include Rollin M. Clark, vice-president and secretary of Continental Casualty; Reinhard A. Hohaus, associate actuary, Metropolitan Life; Carl N. Jacobs, president Hardware Mutual Casualty; M. Albert Linton, president Provident Mutual Life; J. W. Myers, insurance and social security department, Standard Oil of New Jersey.

Insurance people attending included W. T. Grant, Business Men's Assurance; C. O. Pauley, Great Northern Life; R. J. Wetterlund, Washington National; Miss A. M. Chellberg, American Mutual Alliance; Henry D. Locke, Liberty Mutual; Philip S. Haring, Employers' Group; Harold R. Gordon, Health & Accident Underwriters Conference; John M. Powell, Loyal Protective; R. F. Cahalane, Massachusetts Hospital Service; John A. McNamara, Cleveland Hospital Care; John R. Manix, Chicago Plan for Hospital Care; C. Rufus Rorem, Hospital Service Plan Commission; Albert Pike, Jr., Life Insurance Association of America; Joseph F. Belfiore, and Frederick L. Moran, Mutual Benefit Health & Accident; Henry Beers, Aetna Life; Ivan N. Fuqua, Metropolitan Casualty; Dr. Anthony J. Lanza, Metropolitan Life; W. A. Milliman, Equitable Society; John L. Train, Utica Mutual; E. A. van Steenwyk, Associated Hospital Service, Philadelphia.

IN U. S. WAR SERVICE

Bruce Parsons, Chicago general agent of Mutual Benefit Life, who is on leave of absence with the army in Italy, was promoted in November to the rank of full colonel. He entered service in February, 1942, with the rank of major. He served with the general staff in the sixth corps' area for several months, and spent a year and a half in Africa as provost marshal of Morocco. Since June, 1944, he has held the same position at one of the large bases in Italy. Col. Parsons has received a citation

from the sultan of Morocco for his work as president of the allied commission for the security of the port of Casablanca. He was received in private audience with Pope Pius, and he was presented by Prince Umberto in person the decoration of the order of commander of the Royal Crown of Italy.

Cecil Woods, Jr., son of President Cecil Woods of Volunteer State Life, has been awarded an air medal for his conduct in the India-Burma theater. S/Sgt. Woods is a B-24 gunner of the famous Seventh Group, 10th Air Force, which has been operating against the Japs. He is 22 years old and a graduate of Vanderbilt University.

Two former representatives of State Life of Indiana now in service have received medals and personal citations. Capt. Waldo W. Druckenmiller, 117th Infantry, was awarded the silver star for heroic service on the Italian front, and Lt. Edward J. Sweeney, executive officer of the U.S.S. Doyle, was awarded the bronze star for his work during the Normandy invasion.

1st. Lt. J. V. Buck, USMC, former Detroit manager of Bankers Life of Iowa, is now stationed on an aircraft carrier in the south Pacific.

Kenneth W. Jonakin, formerly with Provident Life & Accident in Chattanooga, has been promoted to first lieutenant. He is a medical corps administrative officer at New Delhi, India.

C. M. Schilling, general agent of Manhattan Life, Burbank, Cal., has entered the army and is stationed at Camp Roberts, Cal.

RECORDS

National Fidelity Life—Insurance in force Dec. 31 was \$36,732,949, compared with \$33,171,387 a year earlier, a gain of 10.7%. New business for the year increased 35% over the \$4,768,708 reported for 1943. Assets are \$7,813,547, compared with \$7,301,695. Surplus to policyholders Dec. 31 was \$592,013.

Western Life, St. Louis—Wrote \$3,458,753 new business in 1944, its golden anniversary year, as compared with \$2,752,877 in 1943, a gain of 25%. The gain in new business for December was 39%.

State Mutual Life—New paid-for business in 1944 amounted to \$51,602,006, the best year since 1931. Increase in insurance in force amounted to \$31,002,286, the largest increase in 15 years. This gain is equivalent to 60% of the new paid-for business in 1944.

Capitol Life—Paid business for 1944 showed a gain of 110%, while written business was up 94%. For December, paid business was ahead of December, 1943, by 101% and written business was up 24%.

Insurance in force gained 11.34% during the year, bringing the total amount in force to \$77,508,721. Lapses and surrenders show an improvement of 42.1% over 1939 in spite of having 32.6% more business exposed to lapse and surrender.

Travelers Promotes Four Agency Department Men

Several appointments in its life department official personnel have been announced by Travelers. T. W. Cole, assistant superintendent of agencies since 1936, becomes superintendent of agencies. Joseph Thompson, the past four years life manager in the 42nd street office, New York, becomes assistant superintendent of agencies at the home office. E. Clyde Whitely, life manager in Bridgeport, Conn., since 1934, succeeds Mr. Thompson in his former position at the 42nd street office. J. E. McNeal, assistant supervisor of agency field service since 1929, is promoted to supervisor of that department. Mr. Cole joined Travelers in 1924, Mr. Thompson in 1934, Mr. Whitely in 1929 and Mr. McNeal in 1910.

The U. S. Chamber of Commerce has canceled its 1945 annual meeting, which had been scheduled for New York City the first week in May.



We can all see with the naked eye that the Payroll Savings Plan provides the most stable method of war financing. Analyze it under the X-ray of sound economics and other important advantages are evident.

A continuous check on inflation, the Payroll Savings Plan helps American Industry to build the economic stability upon which future profits depend. Billions of dollars, invested in War Bonds through this greatest of all savings plans, represent a "high level" market for postwar products. Meanwhile, putting over Payroll Savings Plans *together* establishes a friendlier re-

lationship between management and labor.

To working America the Payroll Savings Plan offers many new and desirable opportunities. Through this systematic "investment in victory," homes, education for their children and nest eggs for their old age are today within the reach of millions.

The benefits of the Payroll Savings Plan to both management and labor are national benefits. Instilling the thrift principle in the mind of the working men and women, the Payroll Savings Plan assures their future security—and is a definite contribution to the prosperity of postwar America!

The Treasury Department acknowledges with appreciation the publication of this message by

The NATIONAL UNDERWRITER

This is an official U.S. Treasury advertisement prepared under the auspices of Treasury Department and War Advertising Council.

Another Step Forward by GUARDIAN



THIS stimulating new booklet, "Is This for You?" gives prospective women underwriters a down-to-earth description of, and a realistic means of measuring, their chance of success in life insurance as a career.

Recently issued to Guardian's Managers, the booklet is one of the many sales and recruiting aids available to The Guardian Field through our Women's Section, directed by Beatrice Jones, C.L.U., of the Agency Department.

THE GUARDIAN LIFE

INSURANCE COMPANY OF AMERICA

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Established 1860

GUARDIAN OF AMERICAN FAMILIES FOR 85 YEARS

HOMECOMING PLANS FOR GREAT SOUTHERNERS IN ARMED SERVICES

We have arranged a homecoming plan to assist Great Southern Salesmen reestablish quickly their business contacts when they return from the Armed Services. These plans are geared to direct them back into their former good work habits and to assist them financially to make their reentry into civilian life for quick success.

1. EACH MAN'S PROBLEMS ARE PERSONAL

Each Great Southerner and his wife will be invited to visit the Home Office as soon after his discharge from the Service as possible. The visit will allow a personal conference with each returning veteran so that all of his problems may be discussed. All necessary information relative to his business will be furnished the agent as a basis for this discussion.

2. FINANCIAL PROBLEMS OF AGENT WHO RETURNS ON FULL TIME BASIS

In order to relieve all financial worries during this reentry period, the returning Great Southerner will be guaranteed a monthly income during this time for at least a six months' period. Other financial needs will be arranged for in those cases needing attention.

3. COMPLETE WORK PROGRAM AND PERSONAL ADVERTISING PLANS

Agents will be furnished with a definite work program designed to reestablish them quickly in the business. Announcement cards and prospecting by Direct Mail will be made available to all agents.

4. MAXIMUM, RENEWAL COMMISSIONS

All who return to Great Southern representation will be paid maximum renewal commissions on all business produced during that portion of their contract year prior to entering the Service and also full renewals on all business written while in the Service.

5. NEW PRODUCTION YEAR

In order to give each agent a full year to qualify for maximum renewal schedule, their production year date will be changed to conform with the date of their reentry into active selling. This is done without any change in length of service for non-forfeiture of renewals.

6. NEW CLUB YEAR QUALIFICATIONS

Proper adjustment will be made in reference to qualifying period for membership in Great Southern Club and President's Club. All full time agents who do not have a full six months' period to qualify for membership in these Clubs will be invited to attend the Club Meeting if one is held.

7. SALES TRAINING PROGRAM

Each agent will be furnished with necessary refresher course in Sales Training. All full time agents will attend a refresher course held in Home Office for a period of one week with all expenses paid.

These plans in more detail have been sent to all Great Southerners in the Armed Services in the hope that it will relieve our boys of any worry about how they will get back into civilian life. We are proud of the job they are doing and we hope for their speedy return.

GREAT SOUTHERN LIFE INSURANCE COMPANY

L. S. ADAMS, PRESIDENT

HOME OFFICE: HOUSTON, TEXAS